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Recommendations to the Minister of Transport on Prairie Branch Lines

**by
Doug Neil, M.P.**

November, 1979

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Cat. No. T 22-48/1979

ISBN 0-662-10786-1

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MOOSE JAW

HOUSE OF COMMONS
CANADA

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The Honourable Don Mazankowski
Minister of Transport and
Minister Responsible for the
Canadian Wheat Board
House of Commons
Ottawa, Ontario

Sir:

I have the honor to attach for your review my report respecting recommendations to bring about certainty to the prairie railway branch line system.

I was appointed Special Advisor by Order in Council PC 1979-2032, to compile a set of recommendations pertaining to the status of approximately 1,800 miles of branch line protected from abandonment by Prohibition Order No. 15.

I believe my recommendations will, if you accept them, lead ultimately to the identification of a branch line system guaranteed until the year 2000 which will enable this country to improve its grain exports by 50 percent in the years to come.

The recommendations are listed by Province and Subdivision, and I have provided a basis for each of my recommendations.

Respectfully submitted

A handwritten signature in dark ink, appearing to read 'Doug Neil', with a long horizontal stroke extending to the right.

Doug Neil, M.P.





CANADA

PRIVY COUNCIL • CONSEIL PRIVÉ

P.C. 1979-2032
C.P.

(T.B. Rec.
(Rec. du C.T.

)
)

WHEREAS the Minister of Transport and the Minister Responsible for the Canadian Wheat Board, the Honourable Donald Mazankowski would like to establish a Member of Parliament as a Special Advisor in accordance with the terms of reference in the attached Schedule and undertake the necessary travel to complete a set of recommendations pertaining to the status of approximately 1,800 miles of branch line placed in the protective category for 90 days by Prohibition Order No. 15.

WHEREAS there have been two major reviews addressing this matter recently completed by the Grain Handling and Transportation Commission (Hall Commission) and the Prairie Rail Action Committee, which had as their objectives to make recommendations to the Government of Canada for the disposition of branch lines to be placed in the basic network which is guaranteed until the year 2000 or to be abandoned, subject to review of the Canadian Transport Commission.

THEREFORE, HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL, on the recommendation of the Minister of Transport and the Minister Responsible for the Canadian Wheat Board, pursuant to Section 14 of the Senate and House of Commons Act, is pleased hereby to confirm the request made on behalf of His Excellency in Council by the said Minister that Mr. Doug Neil, Member of Parliament for Moose Jaw will act as a Special Advisor as outlined above.



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TERMS OF REFERENCE

SPECIAL ADVISOR

Overall Objective:

The Special Advisor will compile a set of recommendations pertaining to the status of approximately 1,800 miles of branch line presently protected for 90 days under Prohibition Order No. 15. The Special Advisor will use as a basis the inputs made by the eight grain handling companies to the deliberations of both the Grain Handling and Transportation Commission and the Prairie Rail Action Committee over the period 1975 to 1978. Updating of information will be necessary and therefore the Special Advisor will consult with, and where appropriate, work in conjunction with the eight grain handling companies. Also where appropriate the Special Advisor will consult with the Canadian Wheat Board and the major railways. A complete set of recommendations will be forwarded to the Minister before November 1, 1979. It is understood that for the purposes of consistency and clarity, any public announcements shall be subject to the guidance and approval of the Minister Responsible for the Canadian Wheat Board, who shall have overall responsibility for the activities of the Special Advisor.

Specific Objectives:

In concluding a detailed examination of the inputs from the grain companies to both the Grain Handling and Transportation Commission and the Prairie Rail Action Committee, the Special Advisor shall, as appropriate, seek inputs on the current positions of the grain companies on retention of elevator service in order to develop a set of feasible recommendations that may be presented to the Minister.

In developing these recommendations, the Special Advisor shall consider the following:

(iv)

- partial or complete abandonment of certain lines and the scheduling thereof,
- the economic and technical feasibility of relocating existing elevators, and
- the feasibility of establishing off-line elevators.

In assessing the future role of each line assigned to him, the Special Advisor shall consider the following options:

- inclusion into the permanent network guaranteed until the year 2000;
- abandonment at a date to be specified;
- identification of lines to be placed in a deferred maintenance category.

In undertaking his work, the Special Advisor will respect the confidential nature of certain information of a business nature supplied by the various participants in the grain sector.

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INTRODUCTION

On the 18th of April, 1975, by Order in Council, Mr. Emmett Hall of Saskatoon and four other Commissioners were named to undertake a series of enquiries in areas served by 6,283 miles of branch lines and make recommendations as to their future disposition. This Commission subsequently became commonly known as the Hall Commission on Grain Handling and Transportation.

In its report dated April 18, 1977 directed to the Minister of Transport and Minister Responsible for the Canadian Wheat Board, the Commission recommended as follows:

1. That 1,812.6 miles be added to the basic network category.
2. That 2,165.5 miles be recommended for abandonment over a period of five years.
3. That 2,343.6 miles be placed under the jurisdiction of the Prairie Rail Authority for continuing assessment to the year 1990.

The government of the day was not prepared to accept the concept of a Prairie Rail Authority as proposed by Mr. Emmett Hall and on May 27, 1977 announced the creation of the Prairie Rail Action Committee under the chairmanship of Professor F.W. Anderson of the University of Regina.

The 2,343.6 miles which Mr. Emmett Hall recommended be placed under the jurisdiction of the Prairie Rail Authority was referred to the Prairie Rail Action Committee (PRAC) which was charged with determining the disposition of the lines. Its terms of reference directed that a decision be made as to what mileage should be transferred to the permanent network and what mileage be abandoned at a date to be specified by the Committee. This Committee recommended that 958 miles be added to the basic network and 1,284.9 miles be referred to the CTC.

At the date of my appointment in July of 1979, 1,651 miles of branch line, recommended for abandonment by either the Hall Commission or PRAC had not yet been reviewed by the CTC, and because of this uncertainty neither the elevator companies nor the railways were prepared to commit capital to these lines. It was because of the uncertainty of the future of these branch lines that the Minister named me as a Special Advisor by Order in Council dated July 15, 1979.

Because I was required to report to the Minister with recommendations by November, 1979, it was not possible for me to hold public hearings in the communities served by the lines in question. However, I had access to the information gathered by Mr. Emmett Hall and his committee during his hearings, as well as information compiled by the PRAC under the chairmanship of Dr. F. Anderson. I was also fortunate in having the services of Mr. Henry Ropertz from the Grains Group whose wealth of background information I found invaluable. The CTC Research Branch assisted as well, by supplying data on costs involved in the establishment of off-line elevators where the establishment of such facilities were being considered.

In the course of my studies, I met with representatives of all of the major elevator companies as well as officials of both the CNR and CPR. I appreciated their cooperation and their frankness certainly assisted me in reaching my conclusions. In coming to my conclusions, the following factors were taken into consideration:

1. The undertakings of the various elevator companies given to the Hall Commission and PRAC, with respect to building new facilities or upgrading present facilities and their current position.

2. The present position of the elevator companies regarding the viability of the various lines.
3. The cost of rehabilitation and upgrading of the lines.
4. The position of the railways with respect to the construction of links, exchange of ownership of lines, joint running rights, servicing of lines particularly stub lines.
5. Hardships which might be created for producers due to abandonment of lines.
6. Viability of off-line elevators in instances where, because of volumes of grain handled, hauling distances, and terrain, the abandonment of a line with no alternate facilities would create hardships.

It is important that we realize the costs involved in improving our rail transportation system in order that it will be capable of handling the increased volumes of grain it is anticipated we will be able to produce and market in the future.

In 1979 dollars, the cost of upgrading and rehabilitating the prairie branch lines is approximately \$1.2 Billion. At the present rate of inflation, this cost will escalate at approximately 10 percent per year. The above figures represent the cost of upgrading lines in order that they will carry full hopper cars of 220,000 gross pounds weight at a speed of 30-35 m.p.h. This involves a ballasted road bed with track weighing 85 lbs. per yard on treated wooden ties. A rehabilitation program which would simply put a line back in shape to carry the tonnage for which it was originally built would cost a lesser amount but in many cases the line would be capable of carrying only loaded boxcars or partially loaded hoppers.

(x)

The previous administration established a program to spend some \$600 Million over eight years commencing in 1977-78 with \$100 Million allocated for the first year and \$75 Million allocated for each subsequent year, however, this amount was later reduced to \$70 Million. It becomes quite apparent that at a rate of expenditures of \$70 Million per year, it will be many years before all branch lines can be upgraded to hopper car standards.

The argument might be raised that larger annual amounts be allocated but we are faced not only with the financial restraints placed on Canada because of our current economic problems, but there is also the question of the availability of the necessary equipment required for a more intensive program. I am advised that there is also the question of crews and locomotive power because any increase in the rehabilitation program would remove locomotives and crews from runs which would otherwise be carrying grain and other freight.

It becomes obvious that priorities with respect to rehabilitation and upgrading must be established. To date, decisions as to where allocated funds are spent are based on consultations between the Minister and the railways. These decisions are made without direct input from the elevator companies who have a large stake in the grain handling system.

Most companies indicated to me that their plans for upgrading and building new facilities was predicated on a guarantee of service and rehabilitation and upgrading of the lines. Some indicated as well that their plans were based on a fixed rather than a variable freight rate, but this latter point is not within my terms of reference. Because of the large amount of capital that will be invested by the elevator companies and because of the fact they must plan ahead with respect to where they should spend that money, I believe it is imperative that the companies play a part in the decision making process as to the priorities for upgrading of the lines in the network.

The farmer-owned elevator companies in particular will then be in a position to enter into a dialogue with their locals and discuss their long-term plans for their elevator systems.

Recommendations:

- I That the Minister take immediate steps to set up an Advisory Committee made up of representatives of the various elevator companies and the railways, chaired by the Grain Transportation Coordinator, which will be charged with the responsibility of recommending the priority for upgrading or rehabilitation of the branch lines comprising the prairie rail network. This committee would, after making its initial determination of priorities, meet annually to consider the allocation of the funds available for the programs.
- II In the course of my studies, it became apparent to me that there is a feeling generally held that the costs quoted and indeed charged by the railways for rehabilitation and upgrading are suspect. I have made no investigation of the charges but I recommend to the Minister that where government (taxpayers) money is being spent to upgrade and rehabilitate lines, that public tenders should be called for work such as bank widening, ballast and any work that can reasonably be carried out by an independent contractor.
- III It will be noted that in a number of cases, the establishment of off-track elevators is recommended. I must report that with the exception of Alberta Wheat Pool, this concept was not popular. Studies by the Research Branch of the CTC will be available shortly indicating the substantial savings

which will accrue through the use of off-track elevators in certain instances. The utilization of this type of service results in substantial savings in rehabilitation and upgrading costs as well as maintenance and service costs. At the same time, it guarantees the movement of grain with little disruption to producers who might be very seriously affected if their rail line was abandoned and they were forced to haul long distances. Off-track elevators are recommended for the following delivery points: Fisher Branch, Langruth, Fork River in Manitoba; Handel, Cando and Coleville in Saskatchewan, and Acadia Valley, Paradise Valley, Big Valley and Donalda in Alberta.

Economic Feasibility of Off-Track Elevators

In reviewing approximately 1,651 miles of branch line it soon becomes quite obvious that in some circumstances the cost of permanent rail service is comparatively high for the number of bushels to be moved. However, in these circumstances the alternate hauling distances for producers may also be excessively long or despite the high rail cost, elevator companies desire to remain situated on the line.

Therefore, the concept of elevators operated off the rail track is being recommended to alleviate the impact of the abandonment of uneconomic branch lines on Prairie grain producers and to allow the elevator companies to continue to operate a number of selected delivery points.

The grain to be delivered to these points will be transported by commercial trucks (possibly owned and operated by local producers) for transshipment to adjacent rail lines.

It is recommended that the federal government provide funds to meet the inherent additional costs, specifically, the cost of the secondary elevation at the on-line points and the cost of transporting the grain by commercial trucks.

The Research Branch of the Canadian Transport Commission (CTC) assisted me in this matter and a full report outlining the basis of my recommendations will be made available to the public.

The CTC Research Report to me examines the economics of the off-track elevator concept as compared to two alternatives - first, the complete abandonment of the branch line with closure of all the associated delivery points, and second, the maintenance of rail services only to those points considered for potential off-track operation. In comparing off-track operation to the alternatives, the analysis focuses on changes in the long run costs of handling and transporting the grain, and on changes in the cash outlays of those affected - federal government, railways, elevator companies, and grain producers. Changes in long-run costs consist of reductions in rail-line related costs and branch line rehabilitation costs, reductions in capacity-related elevator costs and, finally, increases in the total cost of farm trucking. Government outlays consist of annual rail subsidy payments, payments for rehabilitation of the branch line to be retained in the basic network and payment associated with the commercial trucking and secondary elevation of the grain. Producer outlays consist of the increases in the long run total cost of farm trucking.

The long run cost analysis, to be complete, should include the added road cost associated with higher truck traffic. Unfortunately, the effects of incremental truck traffic on road cost is not well known or understood and, at best, only a qualitative statement with respect to the effect of increases in truck movements resulting from branch line abandonment can be made at this time.

Kelfield Subdivision:

To illustrate the economic rationale of off-track elevators, I have excerpted out of the CTC Research Report the example of the CP Kelfield Subdivision.

From the following table, it can be seen that the cost of maintaining a fully rehabilitated rail line between Brass and Kelfield would be \$852,000 a year. This expenditure would result in no added farm-trucking cost. If the line was abandoned the annual added farm-trucking cost for all permit holders hauling to points on the Kelfield Subdivision would be \$50,000.

If an off-track elevator was established at Handel, the delivery point with the larger grain volumes, it can be seen from the table that the annual net cost of providing service to the Kelfield Subdivision would be reduced from \$802,000 to \$162,000. The latter figure includes \$77,000 for commercial trucking and \$75,000 for the second elevation at the on-line delivery point. Since most of the cost of providing rail service is borne by the federal government through its branch line subsidy and rail rehabilitation program a case for off-track elevators can be made because the federal government would save approximately \$594,000 a year if the Kelfield Subdivision were abandoned, and if one assumes prior abandonment of the Dodsland Subdivision between Biggar and Dodsland.

In other words the federal government would pay the commercial trucking and second elevation charges and still "save" over \$400,000 a year. The elevator company affected could save \$64,000 a year even if it operated an off-track facility at Handel.

The economies outlined above are consistent with those utilized to support off track recommendations in other areas. The economic reasons supporting the recommendations for off-track elevators will be made public through release of the CTC Research Report.

Off-track elevators are recommended in the following areas:

<u>Off-Line Point</u>	<u>Operating Company</u>	<u>Rail Line(s) Affected</u>
1. Fisher Branch	MPE	CN Inwood
2. Langruth	MPE	CN Oakland
3. Fork River	MPE	CN Winnipegosis
4. Handel	SWP	CP Kelfield
5. Cando	SWP	CN Porter
6. Coleville*	SWP	CN Dodsland
7. Acadia Valley	AWP	CN Acadia Valley
8. Paradise Valley*	AWP	CP Furness
9. Big Valley	AWP	CN Stettler
Donalda	AWP	

* Specific point on-line to be determined by operating company but delivery point listed was utilized for calculation purposes.

To implement the off-track elevator program, I recommend the immediate establishment of a Committee chaired by a representative from the Grains Group and to include representatives from Alberta Wheat Pool, Manitoba Wheat Pool and Saskatchewan Wheat Pool, the three companies affected by these recommendations. Also to be represented on this Committee should be a representative of the CTC Research Branch and the Office of the Grain Transportation Coordinator.

LONG RUN ANALYSIS - CP KELFIELD SUBDIVISION¹ - 1977 COSTS (IN 000's \$/YEAR)

(BRASS - KELFIELD - 27.9 MILES)

	Abandonment of Dodsland Retention Kelfield	Abandonment of Dodsland & Kelfield	Net Effect of Kelfield Abandonment	Off-Line Operation of Handel	Rail Line Maintained to Handel
Rail line related saving	545	855	310	310	103
Rail rehabilitation saving			439	439	147
Elevator saving	101	204	103	64	64
Sub-total saving			852	813	314
Added farm trucking cost	26	76	50	21	21
Commercial trucking cost ²	-	-	-	77	-
Secondary Handling cost	-	-	-	75	-
Sub-total cost			50	173	21
Net Saving			802	640	293
Net cost of alternative to complete abandonment			0	162	509

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1 The Kelfield Subdivision is in close proximity to the Dodsland Subdivision which was recommended for abandonment by the Hall Commission. Since a substantial portion of Dodsland grain will go to Kelfield, abandonment of the two subdivisions must be considered simultaneously.

2. Transshipment is at Landis, Kerrobert and Dodsland.

Source: Economic Feasibility of Off-Track Elevators, prepared for Doug Neil, M.P. Special Advisor on Prairie Branch Lines to the Minister to Transport by the Research Branch, Canadian Transportation Commission, November, 1979.

METHODOLOGY

The major source for background data utilized in the section of this report dealing with recommendations was the work recently completed by the Grain Handling and Transportation Commission (Hall Commission) and the Prairie Rail Action Committee (PRAC).

The rail rehabilitation and upgrading costs were based on the submissions (1977) to PRAC plus an inflationary factor of 20 percent to bring them up to a 1979 base.

The source of the capacity and receipt tables was the Canadian Grain Commission and the various elevator companies. The 1977-78 receipts were published by the Canadian Grain Commission in metric form only. A conversion factor of "40" was utilized to convert the 10-year averages to bushels. The 1977-78 receipts where possible were converted by the actual conversion factors for each of the various grains where individual breakdowns by grain were provided. These breakdowns by individual delivery point were not always provided and therefore, in those instances the standard conversion factor of 40 as recommended by the Canadian Grain Commission was again utilized.

The prime sources of information contained in the Elevator Assessment Section were the Hall Commission Report and the PRAC Report. I made a personal commitment to each of the elevator companies to treat the updated information provided to me as confidential to honor each of their respective competitive positions.

MILEAGE CHART

The chart below provides a summary of my recommendations by Province and Subdivision.

A total of 1,651.1 miles were reviewed and I have recommended that transportation service be guaranteed affecting 968.3 miles of branch line. Of this total 592.7 miles is recommended to be added to the basic network, guaranteed until the year 2000 and to be rehabilitated and fully upgraded. The remaining mileage (375.6 miles) will be served by off-track elevators. Therefore, this mileage plus an additional 636 miles is to be referred to the CTC.

A total of 46.6 miles is to receive no further protection from branch line abandonment. There is generally significant non-grain traffic moving over these lines or there is potential for non-grain traffic in the near future.

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MILEAGE CHART

Lines Included in Prohibition Order No. 15

* denotes off-track elevator

** denotes 2 off-track elevators

<u>Subdivision</u>	<u>Mileage</u>	<u>Add to Basic Network</u>	<u>Refer to CTC</u>	<u>Withdrawal of Protection</u>
<u>MANITOBA:</u>				
Erwood	9.4			9.4
Hartney	42.0	42.0		
Miami	102.2	102.2		
Inwood	71.5	*	71.5	
Neepawa	4.7		4.7	
Rossburn	104.3	92.4	11.9	
Oakland	53.4	*	53.4	
Ridgeville	10.3		10.3	
Ste. Rose	37.1	11.1	26.0	
Winnipegosis	20.8	*	20.8	
Lyleton	21.9	17.2	4.7	
	<u>477.6</u>	<u>264.9</u>	<u>203.3</u>	<u>9.4</u>

ALBERTA:

Coronado	20.4			20.4
Endiang	34.3		34.3	
Stettler	108.3	8.0**	100.3	
Alberta Central	24.6		24.6	
Furness	19.5	*	19.5	
Langdon	33.1	16.3		16.8
Strathmore	34.8		34.8	
	<u>275.0</u>	<u>24.3</u>	<u>213.5</u>	<u>37.2</u>

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MILEAGE CHART

Lines Included in Prohibition Order No. 15

* denotes off-track elevator

<u>Subdivision</u>	<u>Mileage</u>	<u>Add to Basic Network</u>	<u>Refer to CTC</u>	<u>Withdrawal of Protection</u>
<u>SASKATCHEWAN: (C.N.)</u>				
Acadia Valley	23.7	*	23.7	
Avonlea	22.0		22.0	
Avonlea	1.4	1.4		
Bengough	71.5	71.5		
Bodo	51.5	31.6	19.9	
Carlton	35.9		35.9	
Chelan	29.5	16.5	13.0	
Corning	22.3		22.3	
Cudworth	31.6		31.6	
Cudworth	15.1	15.1		
Dodsland	85.9	*	85.9	
Porter	18.0	*	18.0	
Preeceville	41.5		41.5	
Riverhurst	18.0	18.0		
Central Butte	53.3	7.4	45.9	
Tonkin	15.7	15.7		
White Bear	34.3	24.2	10.0	
	<u>571.3</u>	<u>201.4</u>	<u>369.7</u>	

SASKATCHEWAN (C.P.)

Amulet	6.8		6.8	
Bronhead	6.4	6.4		
Colonsay	22.9	22.9		
Colony	24.6		24.6	
Dunelm	24.6	24.6		
Fife Lake	19.8		19.8	
Kelfield	27.9	*	27.9	
Matador	8.3		8.3	
McMorran	60.5		60.5	
Melfort	26.4		26.4	
Melfort	18.5		18.5	
Melfort	29.2	29.2		
Pennant	25.1	19.0	6.1	
Wishart	26.2		26.2	
	<u>327.2</u>	<u>102.1</u>	<u>225.1</u>	

SCHEDULE

ABANDONMENT OF BRANCH LINES PROHIBITION ORDER NO. 15

RAILWAY LINES IN MANITOBA, SASKATCHEWAN AND ALBERTA

Manitoba

<u>Subdivision</u>	<u>From a Point At or Near</u>	<u>To a Point At or Near</u>	<u>Miles</u>	<u>Recommendation</u>
Canadian National	Novra	Birch River	9.4	no further protection
Canadian National	Elgin	Belmont	42.0	to basic network
Canadian National	Grosse Isle	Fisher Branch	71.5	off-track at Fisher Branch and refer Grosse Isle to Fisher Branch 71.5 miles to CTC
Canadian National	Morris	Belmont	102.2	to basic network
Canadian National	Neepawa	Rosburn Jct.	4.7	refer to CTC
Canadian National	Rosburn	Russell	104.3	Russell to mile 11.9 on Rosburn Subdivision 92.4 miles to basic network and construct 2.1 mile link between a point at or near mileage 11.9 on Rosburn Subdivi- sion and a point on the CP Breden- bury Subdivision. Refer Rosburn Jct. to mileage 11.9 to the CTC. Transfer Russell to Inylis 12.9 miles from CP Rail to CN
Canadian National	Delta Jct.	Amaranth	53.4	off-track at Langruth and refer Delta Jct. to Amaranth 53.4 miles to CTC
Canadian National	Emerson	Ridgeville	10.3	refer to CTC
Canadian National	Ochre River	Rorketon	37.1	Ochre River to Ste. Rose du Lac 11.1 miles to basic network Ste. Rose du Lac to Rorketon 26.0 miles to CTC
Canadian National	Winnipegosis	Sifton Jct.	20.8	Sifton Jct. to Winnipegosis 20.8 miles refer to CTC and establish an off-track at Fork River
Canadian Pacific	Dalny	Deloraine	21.9	Deloraine to Waskada 17.2 miles to basic network and Waskada to Dalny 4.7 miles refer to CTC

<u>Alberta</u>				
<u>Subdivision</u>	<u>To a Point At or Near</u>	<u>From a Point At or Near</u>	<u>Miles</u>	<u>Recommendation</u>
Canadian National	Elk Point Endiang Jct. Dinosaur	Heinsburg Byemoor Ferlow Jct.	20.4	remove protection refer to CTC off-track at Donalda & Big Valley Dinosaur to Morrin 8.0 miles to basic network delivery point of Stettler to be served by CP Morrin to Ferlow Jct. 100.3 miles to CTC
Canadian National			34.3	
Canadian National			108.3	
Canadian Pacific	Alberta Central Furness	Benalto Paradise Valley Kirkpatrick	24.6	refer to CTC off-track at point on Subdivision to be determined by AWP Cosway to Carbon 16.3 miles to basic Carbon to Kirkpatrick 16.8 miles remove protection refer to CTC
Canadian Pacific			19.5	
Canadian Pacific			33.1	
Canadian Pacific	Strathmore	Langdon	34.8	

Saskatchewan

<u>Subdivision</u>	<u>To a Point At or Near</u>	<u>From a Point At or Near</u>	<u>Miles</u>	<u>Recommendation</u>
Canadian Pacific Canadian Pacific Canadian Pacific	Amulet Bronthead Colonsay	Crane Valley Minton Dilke	6.8 6.4 22.9	refer to CTC to basic network to basic network - transfer Dilke to Liberty 22.9 miles to C.N. refer to CTC to basic network refer to CTC off-track at Handel refer to CTC refer to CTC refer to CTC refer to CTC Lanigan to Watson 29.2 miles to basic network CP to retain Watson to Lac Vert Wickett to Hazlet 19.0 miles to basic network Hazlet to Verlo 6.1 miles refer to CTC refer to CTC
Canadian Pacific Canadian Pacific Canadian Pacific Canadian Pacific Canadian Pacific Canadian Pacific Canadian Pacific Canadian Pacific Canadian Pacific	Colony Dunelm Fife Lake Kelfield Matador McMorrان Melfort Melfort Melfort	Killdeer Sinnie Big Beaver Kelfield Gunnworth McMorrان Lac Vert Melfort (Dent) Watson	24.6 24.6 19.8 27.9 8.3 60.5 26.4 18.5 29.2	refer to CTC to basic network refer to CTC refer to CTC refer to CTC refer to CTC refer to CTC Lanigan to Watson 29.2 miles to basic network CP to retain Watson to Lac Vert Wickett to Hazlet 19.0 miles to basic network Hazlet to Verlo 6.1 miles refer to CTC refer to CTC
Canadian Pacific	Pennant	Wickett	25.1	refer to CTC
Canadian Pacific	Wishart	Foam Lake	26.2	refer to CTC
Canadian National Canadian National Canadian National Canadian National Canadian National	Acadia Valley Avonlea Avonlea Bengough Bodo	Eyre Jct. Avonlea Radville Bengough Jct. Unity	23.7 22.0 1.4 71.5 51.5	off-track at Acadia Valley refer to CTC to basic network to basic network Unity to Cactus Lake 31.6 miles to basic network Cactus Lake to Bodo 19.9 miles refer to CTC refer to CTC Porcupine Plain to Weekes 16.5 miles to basic network Weekes to Reserve 13.0 miles refer to CTC
Canadian National Canadian National	Carleton Chelan	Dalmeny Porcupine Plain	35.9 29.5	refer to CTC refer to CTC Porcupine Plain to Weekes 16.5 miles to basic network Weekes to Reserve 13.0 miles refer to CTC

<u>Saskatchewan</u>				
<u>Subdivision</u>	<u>To a Point At or Near</u>	<u>From a Point At or Near</u>	<u>Miles</u>	<u>Recommendation</u>
Canadian National	Corniny	Handsworth	22.3	refer to CTC
Canadian National	Cudworth	Donremy	31.6	refer to CTC
Canadian National		Totzke	15.1	to basic network
Canadian National	Doddsland	Dewar Lake	85.9	Biggar to Dewar Lake 85.9 miles refer to CTC and establish an off-track elevator at a location between Doddsland and Dewar Lake to be determined by SWP
Canadian National	Porter	Cando	18.0	off-track at Cando refer Uban to Cando 18.0 miles to CTC
Canadian National	Preeceville	Kelvington	41.5	refer to CTC Construct a 14 mile link between Kelvington & C.P. Tisdale Sub- division. Operate by C.P. Rail Preeceville to Kelvington 41.5 miles to CTC
Canadian National	Riverhurst	Riverhurst	18.0	to basic network Construct a line 14.98 miles between Mawer & a point at or near Brownlee. Operate by CP Rail
Canadian National	Central Butte	Central Butte	53.3	Mawer to Central Butte 7.4 miles to basic network Moose Jaw Jct. to Mawer 45.9 miles refer to CTC
Canadian National	Tonkin	Wroxton	15.7	to basic network
Canadian National	Weyburn	Weyburn	13.0	to basic network
Canadian National	White Bear	White Bear	34.3	Lacadena to Elrose Jct. 24.2 miles to basic network and Lacadena to White Bear 10.1 miles refer to CTC
		Elrose Sub.		

UNPROTECTED LINES NOT INCLUDED IN PROHIBITION ORDER NO.15

			<u>Miles</u>	<u>Comments</u>
Canadian National	Erwood	Hudson Bay	70.2	Does not carry grain.
Canadian National	Inwood	Fisher Branch	9.4	Does not carry grain.
Canadian National	Gravelbourg	Claybank	40.9	Subject to CTC hearing process.
Canadian National	Gravelbourg	Hodgeville	14.9	Subject to CTC hearing process.
Canadian National	Rhein	Ross Jct.	13.6	Will become redundant upon completion of linkage.
Canadian National	Sheerness	Sheerness	34.8	Does not carry grain.
Canadian Pacific	Alberta Central	Benalto	33.4	Does not carry grain.
Canadian Pacific	Colonsay	Anazon	35.3	Will become redundant upon completion of linkage.
Canadian Pacific	Langdon	Rosedale	8.7	Does not carry grain.
Canadian Pacific	Langdon	Kirkpatrick	3.9	Does not carry grain.
Canadian Pacific	Matador	Kyle	5.1	Does not carry grain.
Canadian Pacific	Shamrock	Archive	103.4	Subject to CTC hearing process.
			373.6	

PRAIRIE BRANCH LINE

RECOMMENDATIONS

MANITOBA

SUBDIVISION:

CN Hartney Subdivision - Elgin to Belmont (42.0 miles)
CN Miami Subdivision - Morris to Belmont (102.0 miles)

CAPACITY & RECEIPTS:

This line serves 35 elevators at 20 points. Manitoba Pool Elevators (MPE) is represented at 13 points, United Grain Growers (UGG) at 10, Paterson at five and Cargill at one. The majority of elevators are in fair to good condition. The 5-year average receipts were 9,750,000 (67,000 bushels/mile of track). In 1976-77 the receipts were 10,851,000 bushels. The latest year receipts 1977-78 were 12,150,068 (84,375 bushels/mile).

ELEVATOR INDUSTRY ASSESSMENT:

In public statements to both Hall and PRAC, the companies supported retention of the entire line. This position has not changed.

RAILWAY INFORMATION:

Description:

The line consists of a combination of 56 and 60 lb. rail which is in poor condition with limited carrying capacity of 177,000 lbs. Total traffic is about 90% grain.

CTC Subsidy Payments:

In 1975, the subsidy payments were \$1,460,000.

Rehabilitation & Upgrading Cost:

The total 1979 cost to rehabilitate and upgrade to 80-85 lb. steel would be approximately \$36,240,000.

BASIS FOR RECOMMENDATION:

Although the cost of rehabilitation and upgrading is high (\$36,240,000) the grain receipts appear to be increasing. The 1976-77 receipts were up 9% over the 5-year average and the latest year receipts are up about 9% over the 1976-77 figures.

The prime reason for retention of the Hartney-Carman-Miami Subdivisions is that all the companies represented on the line indicated their intention to continue service to their customers and many companies indicated that if the lines were retained they would make major investments.

Recommendations:

- (i) That the CN Hartney Subdivision between Elgin and Belmont (42.0 miles) be added immediately to the basic network, guaranteed to the year 2000, and rehabilitation and upgrading of steel be undertaken in due course.
- (ii) That the CN Miami Subdivision between Morris and Belmont (102.2 miles) be added immediately to the basic network, guaranteed until the year 2000, and rehabilitation and upgrading of steel be undertaken in due course.

SUBDIVISION:

CN Oakland Subdivision - Delta Junction to Amaranth (53.3 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Oakland	1/1	90,200	579,000	457,000	368,000
Longburn	1/1	48,000	545,000	290,000	268,000
Langruth	1/1	122,000	555,000	323,000	316,000
Amaranth	1/1	<u>78,900</u>	<u>578,000</u>	<u>283,000</u>	<u>252,000</u>
		339,100	2,257,000	1,353,000	1,204,000

MPE is the only company represented at the four points on the Oakland Sub-division. MPE rate its elevators as in good condition at Oakland and Langruth, fair at Amaranth and poor at Longburn.

ELEVATOR INDUSTRY ASSESSMENT:

MPE is the only company represented on the line. It recommended to the Hall Commission that the line should be retained to at least 1990. PRAC was told that consideration should be given to constructing a link between Cawdor and Westbourne (CP Minnedosa Subdivision). This would eliminate rail service to both Oakland and Longburn.

During the current review, MPE expressed concern for the long hauls that might ensue for producers affected if the line was abandoned and as such did support retention for transportation service, although MPE recognized the high cost of providing rail service.

RAILWAY INFORMATION:

Description:

The line was laid with 56 and 60 lb. rail between the years 1898 and 1913. The rail is presently in fair condition. During the winter operations on the line are normally suspended.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision was \$295,025 and subsidy payments were \$253,167.

Rehabilitation & Upgrading Cost:

To upgrade to 220,000 lbs. carrying capacity, the Oakland Subdivision from Mileage 0.08 (near Delta Jct.) to Mileage 53.38 (Amaranth), and other trackage of 2.28 miles, a length of 55.6 miles, is estimated to cost: \$13,845,000.

BASIS FOR RECOMMENDATION:

On an upgrading cost/remaining bushel basis the line is expensive to retain. The cost would be \$6.13/bushel even utilizing the higher 1977-78 receipt figure. The rail upgrading and rehabilitation cost for each of the 306 permit holders would be \$45,245.000.

However, there will be lengthy hauls for producers if the line is abandoned. Producers at Amaranth would be faced with additional hauls of 23 miles to the alternate delivery point at Glenella. Similarly due to the geographic restrictions imposed by Big Grass Marsh and Lake Manitoba, the producers from Langruth would be faced with increased hauls of 18-20 miles. The road mileage between Amaranth and Glenella is 38 miles, and between Amaranth and Westbourne via a paved road the mileage is 36 miles.

BASIS FOR RECOMMENDATION (cont'd)

Therefore, based on the situation whereby retention of the line or sections of the line would result in high rail costs and full or partial abandonment would result in inequitable road hauls, the only practical answer is to establish an off-track elevator at Langruth. The off-track at Langruth will avoid long hauls for both Amaranth and Langruth permit holders. The road hauls for Oakland and Longburn permit holders will not be unduly long.

Recommendations:

- (i) That an off-track elevator be established at Langruth to be operated by MPE with the federal government providing the commercial trucking and second elevation cost.
- (ii) That the Oakland Subdivision between Delta Jct. and Amaranth (53.3 miles) be referred to the Canadian Transport Commission (CTC).

SUBDIVISION:

CN Ridgeville - Ridgeville to Emerson (10.3 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Fredensthal*	1/1	107,700	698,000	499,000	356,000
Ridgeville**	1/2	<u>121,400</u>	<u>194,000</u>	<u>125,000</u>	<u>100,000</u>
		229,100	892,000	624,000	456,000

* Manitoba Pool Elevators

** N.M. Paterson

ELEVATOR INDUSTRY ASSESSMENT:

MPE told PRAC that the line to Fredensthal should remain open to 1990. Paterson did not make a case for retention of Ridgeville before the Hall Commission.

Information provided to the current review did not change the evidence provided on earlier occasions.

RAILWAY INFORMATION:

Description:

The line consists of a combination of 56 and 60 lb. rail, limited to 177,000 lbs. carrying capacity.

CTC Subsidy Payments:

The 1975 CTC subsidy payment was \$60,068.

Rehabilitation & Upgrading Cost:

The total 1979 cost between Emerson and Ridgeville would be \$1,259,000.

BASIS FOR RECOMMENDATION:

Based on the position of MPE, it is difficult to build a case to retain rail service to either Ridgeville or Fredensthal.

Farmers are presently hauling an average of 6.7 miles. If the line is abandoned the average hauling distance would be 14-15 miles. There are presently only 55 permit holders at Fredensthal.

The latest 10-year receipt average at Fredensthal is 356,000 bushels. Although the latest 5-year average has increased to 499,000 bushels and 1977-78 receipts are 698,000 bushels this is not considered sufficient volume to keep this Subdivision open to the year 2000.

BASIS FOR RECOMMENDATION (cont'd)

Good alternate facilities exist at Dominion City a point 13 miles away on the CP mainline.

The cost to rehabilitate and upgrade the line would be \$1,259,000. Considering the position of the elevator companies, the reasonable hauling distances should the line be abandoned and the low volumes considering the long-term receipt figures, it is difficult to justify the cost to retain rail service.

Recommendation:

- (i) That the CN Ridgeville Subdivision from Emerson to Ridgeville (10.7 miles) be referred to the CTC.

SUBDIVISION:

CN Rossburn - Rossburn Jct. to Russell (104.3 miles)
CN Neepawa - Neepawa to Rossburn Jct. (4.7 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Clanwilliam	2/3	237,100	643,000	498,000	448,000
Erickson	1/2	228,300	473,000	372,000	364,000
Sandy Lake	2/2	238,000	625,000	449,000	448,000
Elphinstone	2/2	133,600	355,000	408,000	416,000
Oakburn	2/2	262,500	881,000	672,000	636,000
Vista	1/2	105,700	222,000	156,000	220,000
Rossburn	2/2	166,500	757,000	571,000	428,000
Angusville	1/2	125,000	530,000	359,000	332,000
Silverton	1/2	159,800	497,000	408,000	372,000
Russell	1/1	<u>170,000</u>	<u>531,000</u>	<u>394,000</u>	<u>320,000</u>
		1,826,500	5,514,000	4,287,000	3,984,000

MPE is represented at 9 of the 10 points. Pioneer Grain, Cargill Grain and UGG are represented at two delivery points each. The 1977-78 receipts were 5,514,000 which represents 52,866 bushels/mile of track.

ELEVATOR INDUSTRY ASSESSMENT:

The companies indicated to the Hall Commission that the line should be retained but PRAC was told that if the line remained until the year 2000 significant consolidation of delivery points would evolve. The companies indicated as part of the present review that if the line was put in the basic network service would be maintained and improvements at various points would be undertaken.

RAILWAY INFORMATION:

Description:

The line consists of a combination of 56 and 60 lb. rail which is in fair condition. There are 22 trestles on the Rossburn Subdivision. The line may be hampered by conditions resulting from spring runoff and periods of heavy rain and snow which can prevent or restrict traffic. In 1976, 86 round trips were made to provide service.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision was \$1,100,470 and the CTC subsidy payments were \$974,920.

Rehabilitation & Upgrading Cost:

The total cost would be \$24,316,000. If a link was built from Mile 11.9 to a point south on the CP Bredenbury Subdivision the total cost could be reduced by \$2,192,000.

BASIS FOR RECOMMENDATION:

The primary reason to consider retention of the line is the position of the elevator companies, particularly MPE, which expressed a strong desire to remain represented on the line.

There has been some increase in grain receipts over the last two years with both the 1976-77 receipt figure of 4,696,000 bushels and the latest year receipt figure of 5,514,000 bushels showing increases over the long-term averages.

BASIS FOR RECOMMENDATION (cont'd)

If the line was abandoned the average hauling increase of 10 miles would not cause hardship but taking into consideration that over 1,000 permit holders would be affected, there would be a major increase in bushel-miles.

Construction of a 2.4 mile link between Mileage 71.5 Bredenbury Subdivision and Mileage 11.9 Rossburn Subdivision would allow abandonment of 4.19 miles of CN's Neepawa Subdivision (Mile 33.60, Neepawa, to Mile 37.79 Rossburn Jct.) and 11.9 miles of CN's Rossburn Subdivision (Mile 0.0, Rossburn Jct., to Mile 11.9). There are no elevators on this trackage. The total avoidable rehabilitation and upgrading cost would be \$1.4 Million subtracting the cost of constructing the link.

To avoid disruption of CN train and engine crews, to section forces and maintenance crews who have served this area for years, the Rossburn Subdivision should continue to be served by CN with CN acquiring joint running rights over CP's Minnedosa and Bredenbury Subdivisions. Since CN will serve the delivery point of Russell there is economic sense in CN providing service to the delivery points of Cracknell and Inglis on the CP Russell Subdivision. The distance is only 12 miles and CN indicates there will be no operating problems. Transfer of the CP Russell Subdivision between Russell and Inglis to CN would allow the abandonment of a section of the Subdivision between Russell and Binscarth which presently has no grain delivery function. Construction of a connection at Russell will be necessary to enable CN to service the CP Russell Subdivision.

Recommendations:

- (i) That the Rossburn Subdivision between Mileage 11.9 and Russell (92.4 miles) be added immediately to the basic network and guaranteed until the year 2000 and rehabilitation and upgrading of the line be undertaken in due course.

Recommendations (cont'd)

- (ii) That the construction of a 2.4 mile link between Mileage 11.9 Rossburn Subdivision and Mileage 71.5 Bredenbury Subdivision be constructed immediately at an estimated cost of \$785,000 in 1979 dollars and \$863,819 in 1980 dollars.
- (iii) That the Rossburn Subdivision between Mileage 11.9 and Rossburn Jct. and the Neepawa Subdivision between Neepawa and Rossburn Jct. (4.7 miles) be referred to the CTC after completion of the link.
- (iv) That CP grant running rights on the CP Minnedosa and Bredenbury Subdivisions to enable CN to operate the Rossburn Subdivision after the link is built.
- (v) That a link be connected between CN and CP at Russell at an estimated cost of \$120,000 and that the CP Russell Subdivision between Russell and Inglis (12.9 miles) be transferred to CN from CP.

SUBDIVISION:

CN Ste. Rose - Ochre River to Rorketon (37.1 miles)
CN Winnipegosis - Sifton Jct. to Winnipegosis (20.8 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Fork River	1/1	77,000	404,000	408,000	524,000
Winnipegosis	1/1	<u>75,000</u>	<u>196,000</u>	<u>157,000</u>	<u>116,000</u>
		152,000	600,000	565,000	640,000

The 10-year average receipt figure of 640,000 bushels represents only 30,769 bushels/mile of track for the 20.8 mile Subdivision.

Ste. Rose du

Lac	1/1	91,000	441,000	415,000	472,000
Rorketon	1/1	<u>52,000</u>	<u>196,000</u>	<u>214,000</u>	<u>244,000</u>
		143,000	637,000	629,000	716,000

The 10-year average receipt figure of 716,000 bushels represents only 19,299 bushels/mile of track over the 37.1 mile Subdivision.

ELEVATOR INDUSTRY ASSESSMENT:

Due to the low volumes at Winnipegosis, Cargill Grain is not interested in remaining at the point. Also, due to low volumes at Rorketon, UGG cannot be expected to provide service indefinitely at this point.

MPE did indicate its intention to remain at Fork River and UGG also made a commitment to continue to provide service at Ste. Rose du Lac.

RAILWAY INFORMATION:

Description:

Both Subdivisions consist of light steel and are restricted to 177,000 lb. carrying capacity. In general, both lines experience seasonal problems and both are normally suspended during the winter period.

CTC Subsidy Payments:

In 1975, the CTC subsidy payment for the Winnipegosis Subdivision was \$99,494. The CTC payment for the Ste. Rose Subdivision was \$156,358.

Rehabilitation & Upgrading Cost:

To rehabilitate and upgrade the Ste. Rose Subdivision would cost \$9,297,000. The cost for the section between Ste. Rose du Lac and Rorketon would be approximately \$6,045,000.

To rehabilitate and upgrade the Winnipegosis Subdivision would cost \$5,219,000. The cost for the section between Fork River and Winnipegosis (9.9 miles) would be \$2,400,000.

BASIS FOR RECOMMENDATION:

Should both Subdivisions be abandoned in their entirety producers in the Rorketon area would face hauls in the 35-45 mile range and Winnipegosis permit holders would face hauls in the 25 mile range. However, retaining full service to these two points would be expensive. The cost on a per remaining bushel basis for the section between Ste. Rose du Lac and Rorketon (25.4 miles) would be \$12.98/bushel. The interest cost (assuming a modest 10% factor) would be \$1.30/bushel.

The upgrading cost for the section between Fork River and Winnipegosis would be \$8.15/bushel. The interest cost would be \$.82/bushel.

BASIS FOR RECOMMENDATION (cont'd)

If rail service were provided to Ste. Rose du Lac the hauling distances for Rorketon producers would be reduced by as much as 50% from 35-45 miles to 15-25 miles. Rail service to Ste. Rose du Lac would still be expensive but can be justified on the basis of the long-haul distances which would ensue if the entire line was abandoned and the commitment by UGG to remain at the point.

It is more difficult to justify the retention of rail service to Fork River on the Winnipegosis Subdivision due to the proximity of Fork River to Dauphin. On a long-term basis, it can be expected that the existence of three companies and 800,000 bushels of capacity at Dauphin will draw grain away from Fork River and even Sifton. Therefore, due to the high cost of rail rehabilitation and up-grading it is difficult to commit expenditures to the Winnipegosis Subdivision. However, to address the problem of long-hauling distances if the line is abandoned the concept of an off-track elevator operated by MPE at Fork River should be implemented.

Recommendations:

- (i) That the Ste. Rose Subdivision between Ochre River and Ste. Rose du Lac (11.7 miles) be added immediately to the basic network and guaranteed until the year 2000 and rehabilitation/upgrading of the line be undertaken in due course.
- (ii) That the Ste. Rose Subdivision between Ste. Rose du Lac and Rorketon (26.0 Miles) be referred to the CTC.
- (iii) That the Winnipegosis Subdivision between Sifton Junction and Winnipegosis (20.8 miles) be referred to the CTC.
- (iv) That an off-track elevator be established at Fork River immediately to be operated by MPE, with the federal government meeting the extra commercial trucking and second elevation cost.

SUBDIVISION:

CN Inwood Subdivision - Grosse Isle to Fisher Branch (71.5 miles)

CAPACITY & RECEIPTS:

There are only two delivery points on the line - Broad Valley and Fisher Branch. Average grain receipts for the 10-year period ending 1977-78 were 558,503 bushels equal to 7,811 bushels/mile of track. In 1977-78, the grain receipts at Broad Valley were 252,000 bushels and at Fisher Branch the receipts were 549,000 bushels.

ELEVATOR INDUSTRY ASSESSMENT:

MPE told the Hall Commission that service should be retained to Fisher Branch. The Hall Commission recommended an off-track elevator concept to serve Fisher Branch with grain trucked commercially 29 miles to Arborg.

MPE indicated to PRAC that it would cooperate with the federal government to operate an off-track facility at Fisher Branch, if the federal government paid the extra handling and the commercial trucking costs.

RAILWAY INFORMATION:

Description:

The line was constructed by Canadian Northern Railway between 1903 and 1914. It is laid with 56-60 lb. rail and has gross carrying capacity of 177,000 lbs.

CTC Subsidy Payments:

In 1975, the subsidy payments were \$496,000.

Rehabilitation & Upgrading Cost:

The cost to rehabilitate and upgrade the 71.5 miles would be \$20.2 million (1979 dollars).

BASIC FOR RECOMMENDATION:

Based on the low grain volumes on the line and the high cost to improve the rail line, it would be difficult to recommend retention of permanent rail service.

However, if the line were abandoned producers currently hauling to either Fisher Branch or Broad Valley would face alternate hauls to Arborg on average of 23-29 miles.

The situation lends itself to the establishment of an off-track elevator at Fisher Branch.

Recommendations:

- (i) That the CN Inwood Subdivision from Grosse Isle to Fisher Branch (71.5 miles) be referred to the CTC.
- (ii) That an off-track elevator be established at Fisher Branch to be operated by MPE and the federal government to meet the commercial trucking and the second elevation cost.

SUBDIVISION:

CP Lyleton Subdivision Dalny to Deloraine (21.9 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Dalny	1/1	96,200	380,000	273,000	244,000
Waskada	2/3	227,700	821,000	625,700	560,000
Goodlands	1/2	<u>114,800</u>	<u>533,000</u>	<u>408,000</u>	<u>408,000</u>
		438,700	1,734,000	1,306,000	1,212,000

There are six elevators located at three points on this portion of the Sub-division. MPE has elevators at Goodlands, Waskada and Dalny. It indicates that its facilities at Waskada and Dalny are reasonably good with the Waskada elevators requiring a larger scale, driveway, hoist and additional space at a proposed cost of \$200,000. MPE facilities at Goodlands were renovated in 1971.

ELEVATOR INDUSTRY ASSESSMENT:

MPE is the major company located at Waskada and it indicated that it would upgrade its facilities at the point if rail service was maintained.

RAILWAY INFORMATION:

Description:

The line is in poor condition with narrow subgrade, poor drainage in places and ditches which require cleaning and deepening. The ballast is pit run gravel which has become badly fouled.

CTC Subsidy Payments:

In 1975, the CTC subsidy payments were \$226,910.

Rehabilitation & Upgrading Cost:

It is estimated that a total of \$2,140,000 would be needed to rehabilitate the line from Dalny to Deloraine.

BASIS FOR RECOMMENDATION:

Due to low volumes at Dalny this point cannot be expected to retain elevator service over the long-term period. If one assumes that approximately 50% of the Dalny grain (utilizing the 10-year average) remains on the line the density would be 63,488 bushels for the 17.2 miles between Deloraine and Waskada. Utilizing the 1977-78 receipts the density increases to 88,604 bushels/mile of track.

The rail rehabilitation cost on a per remaining bushel would be a reasonable \$1.54/bushel utilizing the 10-year average receipt figures and if the latest year receipts were utilized the rehabilitation cost would be reduced to \$1.10/bushel.

Recommendations:

- (i) That the Lyleton Subdivision between Deloraine and Waskada (17.2 miles) be added immediately to the basic network and protected until the year 2000 and rehabilitation of the line be undertaken in due course.
- (ii) That the Lyleton Subdivision between Waskada and Dalny (4.7 miles) be referred to the CTC for further review.

SASKATCHEWAN

SUBDIVISION:

CN Avonlea Subdivision - Avonlea to Parry (22.0 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Truax	1/1	80,400	511,000	474,000	360,000
Dummer	1/1	70,000	428,000	317,000	292,000
Parry	1/1	<u>70,000</u>	<u>382,000</u>	<u>364,000</u>	<u>344,000</u>
		220,400	1,320,000	1,155,000	896,000

Saskatchewan Wheat Pool (SWP) is represented at all three delivery points. Truax and Parry were elevated to primary point status following the work of the Hall Commission. Although each of the points increased in volume over 1976-77, the increase was significantly less than points on the line to the north such as Tilney, Avonlea and Briercrest.

ELEVATOR INDUSTRY ASSESSMENT:

SWP indicated that it planned no additional improvements at its facilities on this line at this time. Although Truax and Parry are listed with SWP as primary points, the handles are less than the average of most other delivery points listed as primary points.

RAILWAY INFORMATION:

Description:

The line was laid with 60 lb. rail between the years 1911 and 1912, and is in poor condition.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Avonlea Subdivision from Bengough Jct. to Avonlea was \$364,435 and subsidy payments were \$351,941.

Rehabilitation & Upgrading Cost: (1979)

Avonlea to Parry - 22 miles - \$5,238,000.

BASIS FOR RECOMMENDATION:

It is difficult to justify retention of expensive rail service to a portion of a Subdivision with three delivery points all averaging less than 500,000 bushels/year. The rail rehabilitation and upgrading cost even utilizing the higher 1977-78 receipt figure would still be an expensive \$3.97/bushel. The rail upgrading cost/permit holder would be \$34,235.

Should the 22.0 miles between Avonlea and Parry be abandoned the average new hauling distances would only be 15-17 miles with few hauls expected to be in excess of 20 miles.

Good alternate facilities exist at Avonlea to the north and Ogema to the south.

Recommendation:

- (i) That the CN Avonlea Subdivision between Avonlea and Parry (22.0 miles) be referred to the CTC.

SUBDIVISION:

CN Bengough Subdivision - Bengough Jct. to Willowbunch (71.5 miles)
CN Weyburn Subdivision - Talmadge to Weyburn (13.0 miles) and
CN Avonlea Subdivision between Bengough Jct. and Radville. (1.4 miles)
(The latter two links provide access to CN Bengough Subdivision.)

CAPACITY & RECEIPTS:

	No. of Co./Elev.	Capacity 1977-78	Receipts 1977-78	5 Yr. Av. Receipts 72-73 to 76-77	Latest Receipts 10 Yr. Av.
Ceylon	2/4	250,000	333,000	740,000	292,000
Hardy	1/1	65,000	353,000	313,000	304,000
Bengough	2/4	212,000	1,275,000	922,000	840,000
Harptree	1/3	105,000	488,000	324,000	296,000
Willow Bunch	2/4	<u>358,000</u>	<u>1,289,000</u>	<u>796,000</u>	<u>568,000</u>
		990,000	3,738,000	3,095,000	2,300,000

The 1976-77 receipts were 2,922,000 bushels. The point of Willow Bunch went from 710,000 bushels in 1976-77 to 1,289,000 in 1977-78, a record year for grain handling.

ELEVATOR INDUSTRY ASSESSMENT:

SWP has designated the three major delivery points on the line as primary points. As recently as 1975 (and despite the uncertain status of the rail line) an existing elevator was moved to Bengough and upgraded to high-throughput standards to replace a facility which was destroyed by fire. The Pool anticipates a further \$325,000 expenditure at the point sometime during the next 10-year development period. The Pool also anticipated a \$400,000 project at Willow Bunch and a \$325,000 project at Ceylon. The Pool supports retention of the line and through its 10-year development plan anticipates expenditures of over a million dollars if the line is retained.

RAILWAY INFORMATION:

Description:

The line was laid between the years 1910 and 1926 and 60 and 85 lb. steel. This rail is in poor condition. Between Hardy and Willow Bunch, the track is located in a large valley which results in sharp curves, heavy gradients and deep cuts. There are 19 trestles located along this section of the line.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Bengough Subdivision was \$697,765 and subsidy payments were \$601,109.

Rehabilitation & Upgrading Cost: (1979)

Bengough Jct. - Willow Bunch - 71.5 miles - \$14,532,000

BASIS FOR RECOMMENDATION:

SWP investment commitments at points on this line indicates its strong desire to continue to provide service to producers in this area.

Although continuing rail service to Willow Bunch is expensive, retention is justified because the average haul if the line were abandoned would be in the 20 mile range over rugged terrain. Access to alternate delivery points is limited. As a result of another recommendation affecting the CP Fife Lake Subdivision to the south, there will be no alternative delivery points open south of the Bengough Subdivision. The road network is limited to Highways 34 and 36 for producers who would be forced to haul north to points on the CP Assinboine Subdivision. The road access problem and the fact that close to 4 million bushels would be diverted if the line were abandoned would also result in a significant increase of bushel miles on the present road system.

BASIS FOR RECOMMENDATION (cont'd)

Therefore, because of the commitment of SWP to not only remain on the line, but also to invest close to a million dollars on its facilities and of the existence of at least two excellent grain delivery points, one of which, Willow Bunch is located at the end of the line and because of limited access to alternate facilities should the line be abandoned, are all factors which justify retention of rail service to this Subdivision.

Recommendations:

- (i) That the Weyburn Subdivision between Talmage and Weyburn (13.0 miles) be added immediately to the basic network and rehabilitation and upgrading of the line be undertaken in due course.
- (ii) That the Avonlea Subdivision between Bengough Jct. and Radville (1.4 miles) be added immediately to the basic network and rehabilitation and upgrading of the line be undertaken in due course.
- (iii) That the Bengough Subdivision between Bengough Jct. and Willow Bunch (71.5 miles) be added immediately to the basic network and rehabilitation and upgrading of the line be undertaken in due course.

SUBDIVISION:

CP Bodo Subdivision - Unity to Bodo (51.5 miles)

CAPACITY & RECEIPTS:

	No. of	Capacity	Receipts	5 Yr. Av. Receipts	Latest Receipts
	<u>Co./Elev.</u>	<u>1977-78</u>	<u>1977-78</u>	<u>72-73 to 76-77</u>	<u>10 Yr. Av.</u>
Reward	2/4	280,000	703,000	646,000	632,000
Hearts Hill	2/2	174,000	674,000	573,000	544,000
Cactus Lake	1/3	147,800	580,000	596,000	572,000
Cosine	1/2	60,000	243,000	264,000	216,000
Bodo, Alta.	1/3	<u>151,000</u>	<u>524,000</u>	<u>457,000</u>	<u>424,000</u>
		812,800	2,724,000	2,536,000	2,379,000

There are five delivery points on this Subdivision. SWP services eight elevators at four delivery points. They are alone at Cactus Lake and Cosine. Cargill Grain has two facilities at Reward while Pioneer Grain Co. Ltd. has one elevator at Hearts Hill. Bodo, the only delivery point on this line in Alberta, has three Alberta Wheat Pool (AWP) elevators.

ELEVATOR INDUSTRY ASSESSMENT:

SWP originally indicated to the Hall Commission that the line should be retained. In the Fall of 1977, PRAC was informed that the Pool "was not in a strong position to recommend long-term continuance". Then in May, 1978, PRAC was further informed that the line should be retained. SWP's present position is that rail service should be retained between Unity and Cactus Lake (31.6 miles). AWP indicated that rail service to the delivery point of Bodo should be referred to the CTC for further review.

RAILWAY INFORMATION:

Description:

The line was laid with 80 and 85 lb. rail between the years 1929 and 1931. The rail is in fair condition. The carrying capacity on the line is 220,000 lbs.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision was \$716,626 and subsidy payments were \$617,991.

Rehabilitation & Upgrading Cost: (1979)

Bodo to Unity	51.5 miles	\$5,983,000
Unity to Cactus Lake	31.6 miles	\$3,666,000

BASIS FOR RECOMMENDATION:

Both SWP and Pioneer (Hearts Hill) indicated their intention to remain on the line if rail service is retained.

Utilizing the 10-year average receipt figures and deleting the volume at Bodo (Alta.) the rehabilitation cost for the portion between Unity and Cactus Lake would be \$1.88/bushel.

Therefore, because of the position of the elevator companies, the fact the line is capable of carrying 220,000 lbs. and the three delivery points to be served all appear to have long-term potential, rail service between Unity and Cactus Lake is justified.

Recommendations:

- (i) That the CN Bodo Subdivision between Unity and Cactus Lake (31.6 miles) be added immediately to the basic network and rehabilitation of the line be undertaken in due course.
- (ii) That the CN Bodo Subdivision between Cactus Lake and Bodo (19.9 miles) be referred to the CTC.

SUBDIVISION:

CN Carlton - Dalmeny to Carlton (35.9 miles)

CAPACITY & RECEIPTS:

	<u>No. of Co./Elev.</u>	<u>Receipts 1977-78</u>	<u>Latest Receipts 10 Yr. Av.</u>
Mennon	1/1	240,000	172,000
Hepburn	1/1	627,000	460,000
Waldheim	1/3	404,000	496,000
Laird	1/3	377,000	456,000
Carlton	3/4	<u>587,000</u>	<u>444,000</u>
		2,235,000	2,028,000

There are 12 elevators on the Carlton Subdivision that were constructed in the period 1909 to 1928. Life expectancies of the majority of these facilities range from 2-3 years.

ELEVATOR INDUSTRY ASSESSMENT:

The Hall Commission was not aware of any plans to rebuild or upgrade any of the elevators on the line. The current position of UGG, Pioneer Ltd. and SWP are unchanged.

RAILWAY INFORMATION:

Description:

The line was constructed between the years 1908 and 1914. It is now in poor physical condition. Gross carrying capacity on the line is 177,000 lbs. Service has been suspended on occasions because of snow or soft track.

CTC Subsidy Payments:

In 1975 the subsidy payments were \$327,000.

Rehabilitation & Upgrading Cost: (1979)

Total cost to rehabilitate and upgrade 35.8 miles - \$7,746,000

BASIS FOR RECOMMENDATION:

Good roads in the area, proximity to Saskatoon and mill door premiums, as high as 13 cents/bushel, have caused significant quantities of grain to move to the Saskatoon mills by truck. Current stop off charges of 18 cents/100 lbs. will discourage railroad movement of grain to the mills in Saskatoon from this line. This factor and the fact the elevator companies cannot commit themselves to long-term service on the line makes retention of rail service difficult.

Even an off-track-elevator operated at any point along the line would be difficult to recommend because of the proximity of Highways 12 and 11 which provide good access directly into Saskatoon.

Recommendation:

- (i) That the CN Carlton Subdivision between Dalmeny and Carlton (35.8 miles) be referred to the CTC.

SUBDIVISION:

CN Chelan Subdivision - Porcupine Plain to Reserve (29.5 miles)

CAPACITY & RECEIPTS:

	No. of	Capacity	Receipts	5 Yr. Av.	Latest
	<u>Co./Elev.</u>	<u>1977-78</u>	<u>1977-78</u>	<u>Receipts</u>	<u>Receipts</u>
				<u>72-73 to 76-77</u>	<u>10 Yr. Av.</u>
Weekes	1/2	186,000	456,000	430,000	320,000
Somme	1/2	114,000	409,000	372,000	460,000
Carragana	1/2	<u>104,100</u>	<u>327,000</u>	<u>244,000</u>	<u>208,000</u>
		404,100	1,192,000	1,046,000	988,000

ELEVATOR INDUSTRY ASSESSMENT:

SWP is the only company represented on the line. It requested PRAC to recommend retention of rail service to Weekes. Weekes is listed as a primary point and the Pool presently expects to make improvements if service is retained as far as this delivery point.

RAILWAY INFORMATION:

Description:

The line was laid with 80 and 85 lb. rail in the years 1928-29. The rail is in fair condition. Virtually all of the ties are treated (98%) and approximately 52% are tie-plated. The condition of the ties varies from fair to good. The subgrade is in fair condition but the drainage and ballast are poor. CN indicate the line could be served from the north if the portion between Weekes and Reserve (13.0 miles) were declared unnecessary.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision from Reserve to Crooked River (60.1 miles) was \$746,350 and subsidy payments were \$645,072.

Rehabilitation & Upgrading Cost: (1979)

Porcupine Plain to Weekes 29.9 miles \$3,139,500

BASIS FOR RECOMMENDATIONS:

The rehabilitation cost/remaining bushel for the portion of the Chelan Subdivision between Porcupine Plain and Weekes would be \$1.75/bushel utilizing the 10-year average.

Based on the commitment of SWP to maintain service to Weekes, Somme and Carragana to the year 2000 and based on the fact the line is comprised of 80-85 lb. steel and there exists approximately one million bushels along the 16.5 mile portion which represents 61,000 bushels/mile of track, rail service to Weekes is justified.

Recommendations:

- (i) That the CN Chelan Subdivision between Porcupine Plain and Weekes (16.5 miles) be added immediately to the basic network and rehabilitation be undertaken in due course.
- (ii) That the CN Chelan Subdivision between Weekes and Reserve (13.0 miles) be referred to the CTC.

SUBDIVISION:

CN Corning - Peebles to Handsworth (22.3 miles)

CAPACITY & RECEIPTS:

	<u>No. of</u> <u>Co./Elev.</u>	<u>Capacity</u> <u>1977-78</u>	<u>Receipts</u> <u>1977-78</u>	<u>5 Yr. Av.</u> <u>Receipts</u> <u>72-73 to 76-77</u>	<u>Latest</u> <u>Receipts</u> <u>10 Yr. Av.</u>
Peebles*	1/1	73,000	385,000	303,000	288,000
Corning	2/3	167,000	858,000	603,000	608,000
Handsworth**	1/2	<u>117,000</u>	<u>292,000</u>	<u>N/A</u>	<u>288,000</u>
		357,000	1,536,000	-	1,184,000

* also located on CN Glenavon Subdivision (basic network)

** recommended for abandonment by Hall Commission

There are two companies, SWP and UGG represented at Corning and UGG are also at Handsworth.

ELEVATOR INDUSTRY ASSESSMENT:

SWP operate a primary elevator at Corning but the Pool indicate that it is not in a strong position to recommend retention of this point. The Pool further indicate that good adequate facilities exist at Glenavon and Kipling on the Glenavon Subdivision and Stoughton on the Junction of the Tyvan/Kisbey Subdivisions.

RAILWAY INFORMATION:

Description:

The line was laid with 67 lb. rail in the year 1924. The rail is presently in fair condition. In general, the subgrade is considered fair, drainage is poor and ballast is of poor quality.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision from Peebles to Handsworth (22.9 miles) was \$186,821 and subsidy payments to date have been \$163,871.

Rehabilitation & Upgrading Cost: (1979)

Peebles to Handsworth	- 22.3 miles	- \$5,944,000
Peebles to Corning	- 14.4 miles	- \$3,838,000

BASIS FOR RECOMMENDATION:

Two factors make retention of this line difficult to justify. First, the elevator companies cannot express long-term commitments at either Corning or Handsworth and second, retention of rail service would be expensive.

Excluding the receipts at Peebles, which is located on a basic network line, the rehabilitation and upgrading cost/remaining bushel from Corning and Handsworth would be \$6.33 utilizing the 10-year average receipt figure. The upgrading cost/permit holder would be approximately \$39,000/permit holder.

BASIS FOR RECOMMENDATION (cont'd)

The average haul if the line was abandoned would be in the range of 15-20 miles. There is a good grid road network in the area which provides access to Highway 47 which in turn provides access to alternate delivery points to the north and south.

Recommendation:

- (i) That the CN Corning Subdivision between Peebles and Handsworth (22.3 miles) be referred to the CTC.

SUBDIVISION:

CN Cudworth Subdivision Cudworth Junction to Domremy (31.6 miles)
Meacham to Totzke (15.1 miles)

The in-between section between Domremy and Totzke (37.7 miles) was added to basic network as a result of a PRAC recommendation.

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Meacham	2/3	251,600	708,000	649,000	672,000
Peterson	2/2*	58,000	247,000	259,000	260,000
Bremen	1/2	108,000	541,000	367,000	340,000
Hoey	1/2	122,000	502,000	423,000	408,000
St. Louis	1/2	148,000	532,000	416,000	376,000
Red Deer Hill**	1/1	<u>48,000</u>	<u>142,000</u>	<u>118,000</u>	<u>132,000</u>
		735,600	2,672,000	2,232,000	2,188,000

* Cargill Elevator Closed October 1977

** Partial Opening

ELEVATOR INDUSTRY ASSESSMENT:

SWP indicated to PRAC that it planned to upgrade its facility at Meacham as part of its 10-year development plan.

No strong case was made to retain any of the other points.

RAILWAY INFORMATION:

Description:

The section of track from near Meacham to near St. Louis was laid between the years 1911 and 1917 with 60, 65 and 79 lb. rail which is now in poor condition. Gross weight/car is limited to 177,000 lbs. Freight trains are limited to a speed of 10-20 m.p.h. Locomotives must not exceed the loading of 1200 HP six-axle diesel unit.

CTC Subsidy Payments:

In 1975, the total claimed loss for the total Subdivision (Rutan to Cudworth Jct.) was \$959,987 and subsidy payments to date have been \$878,042.

Rehabilitation & Upgrading Cost: (1979)

Cudworth Jct. to Domremy	31.6 miles	\$7,932,000
Meacham to Totzke	15.1 miles	\$3,664,000

BASIS FOR RECOMMENDATIONS:

Taking into consideration the position of SWP, the volumes both near and long-term at Meacham and CN's position that it can serve Meacham as a short extension off its regular service to other points on the Cudworth Subdivision, rail service to Meacham is justified.

Producers currently hauling to Hoey and St. Louis on the northern section which is recommended for abandonment will face estimated average new hauls of no greater than 14-16 miles. Moreover, the area is well served by roads, both in quality and number, and the road pattern is conducive to grain movement; i.e., there are no unnecessary detours to alternate grain delivery points.

BASIS FOR RECOMMENDATIONS (cont'd)

The rail cost of upgrading the portion between Cudworth Jct. and Domremy (31.6 miles) would be approximately \$8 Million. The rail upgrading cost/remaining bushel would be approximately \$8.73. Even utilizing the higher 1977-78 receipt figure the upgrading cost/remaining bushel would still be at \$6.80.

Therefore, considering the position of the elevator companies, the reasonable hauling distances should the line be abandoned, and the high cost of providing rail service, it is difficult to recommend retention of the Cudworth Subdivision between Cudworth Jct. and Domremy.

Recommendations:

- (i) That the Cudworth Subdivision between Cudworth Jct. and Domremy (31.6 miles) be referred to the CTC.
- (ii) That the Cudworth Subdivision between Meacham and Totzke (15.1 miles) be added to the basic network immediately and rehabilitation and upgrading of the line be undertaken in due course.

SUBDIVISION:

CN Dodsland - Biggar to Dewar Lake (85.9 miles)

CAPACITY & RECEIPTS:

	No. of	Capacity	Receipts	5 Yr. Av.	Latest
	Co./Elev.	1977-78	1977-78	Receipts	Receipts
				72-73 to 76-77	10 Yr. Av.
Dodsland	1/3	220,000	1,036,000	919,000	828,000
Millerdale	1/1	78,000	413,000	348,000	308,000
Beaufield	1/2	89,500	397,000	452,000	404,000
Coleville	1/2	163,900	612,000	706,000	684,000
Smiley	2/3	102,000	333,000	429,000	432,000
Dewar Lake	2/2	<u>99,000</u>	<u>295,000</u>	<u>306,000</u>	<u>328,000</u>
		752,400	3,086,000	3,160,000	2,984,000

The above points were recommended for abandonment by PRAC, with the exception of Dodsland. The Hall Commission recommended abandonment of the section between Biggar and Dodsland (53.3 miles). The 1977-78 grain receipts at the four delivery points on this section were: Duperow (131,000), Springwater (229,000), Ruthilda (351,000) and Downe (211,000).

ELEVATOR INDUSTRY ASSESSMENT:

SWP indicated that it would upgrade Coleville at an estimated cost of \$350,000.

SWP lists three stations as secondary points, Beaufield, Smiley and Dewar Lake. Its plans indicate running repairs only for Beaufield. Only one of the two points, Smiley and Dewar Lake will remain in its long-term development plan. Whichever point remains will require major renovations and new annex space at an estimated cost of \$500,000.

RAILWAY INFORMATION:

Description:

Crossing with CP, Dodsland, near Mile 46.74 to near Dewar Lake Mile 86.64, this section of the Dodsland Subdivision was laid with new 60 lb. rail in 1912. The rail is now in fair to poor condition. The ties are in poor condition. The track structure limits the gross carrying weight/ car to 177,000 lbs.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision from Biggar to Loverna (104.2 miles) was \$1,303,607 and subsidy payments to date have been \$1,171,126.

Rehabilitation & Upgrading Cost: (1979)

Dodsland to Smiley	- 31.5 miles	\$7,138,000
Smiley to Dewar Lake	- 7.4 miles	\$1,603,000

BASIS FOR RECOMMENDATION:

In assessing the variables pertaining to the CN Dodsland Subdivision, particularly the portion between Dodsland and Dewar Lake, one has to consider that if this portion were abandoned the delivery point of Dodsland could be served off the CP Kerrobert Subdivision, a basic network line. Thus, almost 1/3 of the total volume on this portion of the Subdivision would be unaffected by abandonment. The grain density of the remaining approximate 2.2 million bushels would be 55,000 bushels/mile of track.

BASIS FOR RECOMMENDATION (cont'd)

Assuming the Dewar Lake to Smiley section were not required the cost to rehabilitate and upgrade the 31.5 miles between Dodsland and Smiley would be approximately \$7.1 Million. The rail upgrading cost/permit holder would be approximately \$33,000/permit holder.

If the entire line were abandoned the average new hauling distances would range between 8-18 miles. Good paved roads exist to enable producers to reach alternate points such as Dodsland to the east, Kerrobert to the north and Kindersley to the south.

Under normal circumstances and to be consistent with decisions made on other lines, this Subdivision would be referred to the CTC for further review. However, there exists on the line, even discounting the delivery point of Dodsland, a fair amount of grain (albeit expensive to serve by rail) and a strong commitment on the part of SWP to upgrade its facilities at Coleville. Therefore, it appears the most sensible approach to this situation would be to establish an off-track elevator at Coleville or at any other point on the line designated by SWP. This will avoid the high rail expenditure but will enable SWP to serve its customers at Coleville. Transportation service to Coleville also will result in reduced hauling distances for producers who would normally haul to such points as Smiley.

Recommendations:

- (i) That the Dodsland Subdivision between Biggar and Dewar Lake (85.9 miles) be referred to the CTC.
- (ii) That an off-track elevator be established at Coleville to be operated by SWP or at another point on the line as designated by SWP. The federal government to pay the commercial trucking and second elevation charges.
- (iii) That a connection be laid between CN and CP at Dodsland in order that service to Dodsland itself be continued by CP.

SUBDIVISION:

CN Porter Subdivision - Oban to Cando (18.0 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Lett	1/1	27,000	44,000	182,000	168,000
Salter	1/2	55,000	200,000	139,000	124,000
Cando	1/2	<u>169,700</u>	<u>417,000</u>	<u>542,000</u>	<u>504,000</u>
		251,700	661,000	863,000	796,000

ELEVATOR INDUSTRY ASSESSMENT:

SWP describe Lett and Salter as tertiary delivery points which in its 10-year development plan calls for these points to be phased out of service. Cando, described as a secondary point, will have an existing facility moved there and upgraded at an estimated cost of \$350,000, according to information provided by SWP. However, latest year receipts at the three points are down 210,000 bushels from the 5-year average receipts.

The 10-year average receipt figure of 796,000 bushels represents 44,222 bushels/mile of track (18.0 miles).

RAILWAY INFORMATION:

Description:

The line was laid with new 60 lb. rail in 1912. The rail is now in poor condition. A small section (Mile 0.0 to Mile 0.07) was relaid with heavier rail in 1959. The ties are in poor condition, approximately 71% are treated and about 23% are tie-plated. In general, the subgrade is in poor condition. Freight trains are restricted to an operating speed of 15 m.p.h.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision (Oban to Cando) was \$176,556 and subsidy payments to date have been \$164,386.

Rehabilitation & Upgrading Cost: (1979)

To upgrade to 220,000 lbs. carrying capacity, from Oban Jct. (Mile 0.0) to near Cando (Mile 18.0) a distance of 18 miles and other trackage of 1.4 miles is estimated to cost \$3,966,000 in 1979 dollars.

BASIS FOR RECOMMENDATION:

The Subdivision averages about one return rail trip every two weeks in terms of rail service.

It would cost \$42,191/permit holder to provide fully upgraded rail service to this Subdivision. The latest 10-year average receipt at the three points situated at the Subdivision is 796,000 bushels. The rail upgrading cost on a per remaining bushel basis would be \$4.98/bushel. The cost increases to \$6.00 if the latest year receipt figure is utilized.

BASIS FOR RECOMMENDATION (cont'd)

It is difficult to justify rail service to this line. None of the delivery points had receipts much greater than 400,000 bushels in 1977-78. However, SWP are firmly committed to maintaining service to the delivery point of Cando and if this point was abandoned the new average hauling distances would be in the 21-23 mile range.

Therefore, to address the problem of providing service to Cando, it would make sense to establish an off-track elevator at Cando in place of rail service.

Recommendations:

- (i) That the CN Porter Subdivision between Oban and Cando (18.0 miles) be referred to the CTC.
- (ii) That an off-track elevator be established at Cando to be operated by SWP, with the federal government meeting the commercial trucking and second elevation cost.

SUBDIVISION:

CN Preeceville Subdivision - Preeceville and Kelvington (41.5 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Preeceville**	1/2	193,000	603,000	693,000	664,000
Lintlaw*	1/3	113,400	501,000	481,000	460,000
Nut Mountain*	2/3	159,500	415,000	367,000	384,000
Kelvington**	2/5	<u>586,500</u>	<u>2,097,000</u>	<u>1,627,000</u>	<u>1,532,000</u>
		1,052,400	3,616,000	3,168,000	3,040,000

* recommended for abandonment by PRAC

** recommended for retention by PRAC

ELEVATOR INDUSTRY ASSESSMENT:

SWP lists three of the four points on the line as primary. The Pool eventually plan to phase out its facilities at Nut Mountain. Recent renovations including the installation of a new 50-ton scale at Kelvington has recently been undertaken both at Kelvington and Preeceville. A high throughput elevator is presently contemplated by SWP at Lintlaw, although the volume at the point hardly seems adequate for such a facility.

RAILWAY INFORMATION:

Description:

The line was laid with 56 and 60 lb. rail between the years 1905 and 1921. The rail is presently in fair condition. Most of the ties are treated (94%) and about 41% are tie-plated. The ties are in fair to good condition. In general, the subgrade and drainage are fair.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision from Lilian to Kelvington (46.2 miles) was \$590,623 and subsidy payments were \$516,189.

Rehabilitation & Upgrading Cost: (1979)

Preeceville to Kelvington	41.5 miles	\$9,213,000
Kelvington link	14 miles	\$5,040,000
Kelvington to Lintlaw	13.8 miles	\$3,063,000

BASIS FOR RECOMMENDATION:

There are four delivery points on this section CN Preeceville Subdivision. Acting on a recommendation by the PRAC, the government of Canada placed the delivery point of Preeceville in the basic network. Upon examination of the preceding receipt table it can be determined that the only other major delivery point on the line is Kelvington, situated 41.5 miles from Preeceville. The cost to rehabilitate and upgrade the mileage between Preeceville and Kelvington would be approximately \$9.2 Million. In other words, the estimated rail rehabilitation and upgrading cost of grain delivered to the three points west of Preeceville would be \$3.06/bushel.

BASIS FOR RECOMMENDATION (cont'd)

An alternative approach would be to construct a new link between Kelvington and a point on the CP Tisdale Subdivision a distance of approximately 14 miles. The cost of this link would be an estimated \$5 Million assuming a high \$360,000/mile figure for new track construction. This option would remove rail service to both Lintlaw and Nut Mountain delivery points, which historically have had through-puts of less than 500,000 bushels/year. Lintlaw is only seven miles by paved road (Highway 49) from Kelvington and Lintlaw is only 14 miles from Kelvington via the same highway.

Assuming that most of the grain that is currently being delivered to Nut Mountain and Lintlaw diverts to Kelvington, the new annual through-puts of this delivery point should be a consistent three million bushels. The rail upgrading and rehabilitation cost/remaining bushel would now be only \$2.02/bushel.

Recommendations:

- (i) That the Preeceville Subdivision between Kelvington and Preeceville (41.5 miles) be referred to the CTC.
- (ii) That a 14-mile link between Kelvington on the Preeceville Subdivision and a point on the CP Tisdale Subdivision be constructed immediately and operated by CP Rail.

SUBDIVISION:

CN Riverhurst - Central Butte to Riverhurst (18.0 miles)
CN Central Butte - Moose Jaw Jct. to Central Butte (53.3 miles)

CAPACITY & RECEIPTS:

	No. of Co./Elev.	Capacity 1977-78	Receipts 1977-78	5 Yr. Av. Receipts 72-73 to 76-77	Latest Receipts 10 Yr. Av.
Mawer	1/1	92,000	352,000	345,000	316,000
Central Butte	2/3	188,000	1,096,000	840,000	752,000
Lawson	1/2	113,700	864,000	572,000	544,000
Riverhurst	1/4	<u>164,000</u>	<u>1,070,000</u>	<u>610,000</u>	<u>612,000</u>
		577,700	3,382,000	2,367,000	2,224,000

There are 10 elevators at the four points on the line considered for retention. SWP is at all locations. The remaining four points on the Central Butte Subdivision are not being considered for retention. The 1977-78 receipts at these points were Grayburn (300,000), Rowletta (192,000), Lake Valley (320,000) and Darmody (210,000).

ELEVATOR INDUSTRY ASSESSMENT:

SWP is represented at Lawson, Riverhurst Mawer and Central Butte. Lawson, Riverhurst and Central Butte are listed as primary points and SWP indicated that it planned major upgrading at all points if rail service was maintained.

Cargill has recently completed a major renovation program at Central Butte.

RAILWAY INFORMATION:

Description:

The line was laid with new 60 lb. rail in 1916. This rail is presently in good condition. About 77% of the ties on the line are treated and are in fair to good condition; approximately 12% of the ties are tie-plated. In general, the subgrade is low and in poor condition, with a negligible amount of ballast. Drainage is adequate.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Riverhurst Subdivision was \$231,857 and subsidy payments were \$195,603.

Rehabilitation & Upgrading Cost: (1979)

Mawer to Central Butte	7.4 miles	\$1,763,000
Central Butte to Riverhurst	18.0 miles	\$4,382,000
Mawer link to Brownlee/Eyebrow	15.0 miles	\$5,067,000
Central Butte link to Eyebrow	15.0 miles	\$5,400,000

BASIS FOR RECOMMENDATION:

Based on the position of SWP, the existence of three high volume delivery points, the long hauling distances that would occur if the line were abandoned, the restricted road access to alternative delivery points, and the added hardships abandonment of the CN Riverhurst Subdivision would have on producers already affected by the abandonment of the CN Main Centre Subdivision, rail service to Riverhurst is justified.

BASIS FOR RECOMMENDATION (cont'd)

However, due to the low volumes at the delivery points of Grayburn, Rowletta, Lake Valley and Darinody on the CN Central Butte Subdivision, this portion between Mawer and Moose Jaw Jct. should be abandoned. It would be more economical to serve the delivery points of Mawer, Central Butte, Lawson and Riverhurst via a new link between Mawer running through pasture land to a point on the CP Outlook Subdivision. Those four delivery points would then be served by CP Rail as part of a regular train service on the Outlook Subdivision.

Recommendations:

- (i) That the CN Riverhurst Subdivision between Central Butte and Riverhurst (18.0 miles) be added immediately to the basic network and rehabilitation and upgrading of the line be undertaken in due course.
- (ii) That the CN Central Butte Subdivision between Central Butte and Mawer (7.4 miles) be added immediately to the basic network and rehabilitation and upgrading of the line be undertaken in due course.
- (iii) That the CN Central Butte Subdivision between Moose Jaw Jct. and Mawer (45.9 miles) be referred to the CTC.
- (iv) That a link be constructed between Mawer and a point on the CP Outlook Subdivision.
- (v) That operation of the lines continue by CN via the CN Central Butte and CN Riverhurst Subdivisions until construction of the link is complete.
- (vi) That ownership of the Riverhurst Subdivision between Central Butte and Riverhurst (18.0 miles) and the Central Butte Subdivision between Central Butte and Mawer (7.4 miles) be transferred from CN to CP.

SUBDIVISION:

CN Tonkin - MacNutt to Wroxton (15.7 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Wroxton*	2/4	341,000	879,000	663,000	544,000
Calder	1/2	174,000	238,000	366,000	380,000
MacNutt	1/2	<u>169,000</u>	<u>719,000</u>	<u>571,000</u>	<u>564,000</u>
		684,000	1,836,000	1,600,000	1,488,000

* Recommended to basic network by PRAC

There are eight elevators at the three delivery points on the CN Tonkin Sub-division. SWP is represented at Wroxton and MacNutt. Cargill is at Wroxton and UGG is at Calder.

ELEVATOR INDUSTRY ASSESSMENT:

SWP has designated MacNutt as a primary point and plans expenditures at the point if the line is retained.

RAILWAY INFORMATION:

Description:

The section was laid with new 60 lb. rail between the years 1908 and 1915. Most of the ties on the line are treated (about 90%) and are in fair to good condition. Approximately 19% of the ties are tieplated. In general, the subgrade is in fair condition, with fair drainage and a negligible amount of badly fouled pit run ballast.

CTC Subsidy Payments:

In 1975, the total claimed loss for Subdivision was \$353,616 and subsidy payments were \$303,269.

Rehabilitation & Upgrading Cost: (1979)

MacNutt to Wroxton 15.7 miles \$3,654,000

BASIS FOR RECOMMENDATION:

If rail service to MacNutt is retained, SWP plan major expenditures at the point. Based on this information and the realization that hauls on average would reach 12-17 miles if the line is abandoned justifies continued rail service. Although the average new hauls may be comparable to other areas where rail service is being withdrawn, consideration is being made in this particular case to the recognition that the average farm size is considerably smaller in this region and many farmers still haul with smaller trucks and in some cases even wagons.

As well, close to 10,000 acres of new land has been brought into production in this region over the last 5 years.

Recommendation:

- (i) That the CN Tonkin Subdivision between MacNutt and Wroxton (15.7 miles) be added immediately to the basic network and rehabilitation and upgrading of the line be undertaken in due course.

SUBDIVISION:

CN White Bear Subdivision - Junction with the Elrose Subdivision to White Bear
(34.3 miles)

CP McMorran Subdivision - Milden to McMorran (60.5 miles)

CP Matador Subdivision - Gunworth to Wartime (8.3 miles)

CAPACITY & RECEIPTS:

	No. of Co./Elev.	Capacity 1977-78	Receipts 1977-78	5 Yr. Av. Receipts 72-73 to 76-77	Latest Receipts 10 Yr. Av.
Witley	1/2	Closed	Closed	126,000	
Isham*	2/3	273,500	492,000	486,000	480,000
Tyner*	2/3	222,500	648,000	632,000	436,000
Lacadena*	2/3	220,000	721,000	506,000	516,000
White Bear**	2/3	<u>274,000</u>	<u>864,000</u>	<u>697,000</u>	<u>676,000</u>
		990,000	2,725,000	2,447,000	2,108,000

* recommended for abandonment by PRAC.

** recommended for abandonment by Hall.

There are 12 elevators on the White Bear Subdivision, most in fair to poor condition. SWP and Pioneer Grain are represented at all four points.

ELEVATOR INDUSTRY ASSESSMENT:

Pioneer Grain told the Hall Commission it did not consider the White Bear Subdivision as important for consideration to the basic network as the adjacent Matador Subdivision (Kyle).

Presently SWP supports retention of rail service to Isham, Tyner and Lacadena.

RAILWAY INFORMATION:

Description:

The line was constructed in 1925. The 60 lb. rail is in poor condition. The condition of the ties range from poor to good, 15% of the ties are tie-plated.

The subgrade is in poor condition, drainage is poor. Gravel ballast is non existent for much of the Subdivision.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision (Eston-White Bear) was \$584,682 and the subsidy payments were \$525,239.

Rehabilitation & Upgrading Cost:

Eston to Lacadena	24.2 miles	\$5,214,000
Eston to Kyle (link)	35.3 miles	\$8,720,000

BASIS FOR RECOMMENDATION:

There are seven trestles along the 10.1 miles between Lacadena and White Bear, five of which are in excess of 200 ft. Soil instability has caused an problems with the trestle approaches. The cost of re-building the trestles would be in excess of \$9 Million. Therefore, there is little justification to retain rail service between Lacadena and White Bear.

The 1977-78 receipts at the three remaining points on the line totalled 1,861,000 bushels, which represents 76,900 bushels/mile of track. The rail rehabilitation and upgrading cost/remaining bushel on the line would be \$2.80/ bushel utilizing the higher 1977-78 receipt figure.

BASIS FOR RECOMMENDATION (cont'd)

With removal of service from the delivery point of White Bear some of this grain can be expected to stay on the line. Thus, there does appear to be in existence at least two delivery points on the line, Tyner and Lacadena which will have longterm viability.

This factor, plus the strong commitment of SWP to remain at all three delivery points to the year 2000, justifies retention of rail service.

The CP Matador Subdivision (Kyle to Wartime) is currently in the basic network. Upon completion of a connection at Wartime, this Subdivision will be served by CN. Therefore, the CP Matador Subdivision Wartime to Gunnworth and Milden to McMorran will not be required.

Recommendations:

- (i) That the CN White Bear Subdivision between the Jct. with the Elrose Subdivision and Lacadena (24.2 miles) be added immediately to the basic network guaranteed until the year 2000 and rehabilitation and upgrading of the line be undertaken in due course.
- (ii) That the CN White Bear Subdivision between Lacadena and White Bear (10.1 miles) be referred to the CTC.
- (iii) That the CP Matador Subdivision between Wartime and Gunnworth (8.3 miles) be referred to the CTC upon the completion of a connection at Wartime to enable CN to serve and operate the Matador Subdivision between Wartime and Kyle.
- (iv) That the CP McMorran Subdivision between Milden and McMorran (60.5 miles) be referred to the CTC upon completion of the connection in recommendation (iii).

SUBDIVISION:

CP Amulet Subdivision - Cardross to Crane Valley (6.8 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Cardross	1/1	63,000	297,000	237,000	228,000

ELEVATOR INDUSTRY ASSESSMENT:

SWP plan to upgrade Crane Valley to high throughput standards and as such would cease operations at Cardross.

RAILWAY INFORMATION:

Description:

The line is in poor physical condition. The roadbed is poor with less than standard shoulders and the drainage is poor in many places.

The ballast is generally poor, the original pit run material has mixed with the subgrade and become fouled. Some patching with pit run gravel has taken place over the years. The ties are in poor condition. The rail is all a mixture of 80 and 85 lb. per ft. There are no bridges on the Subdivision.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Amulet Subdivision was \$208,630. The subsidy payments to date have been \$184,975.

Rehabilitation & Upgrading Cost: (1979)

Cardross to Crane Valley - 6.8 miles - \$514,000

BASIS FOR RECOMMENDATION:

In view of SWP's plans to upgrade its facilities at nearby Crane Valley to high throughput standards and in view of the low volumes at Cardross taking into consideration both the 10-year and latest year receipt figures it is difficult to justify rail service to Cardross.

Since Cardross is only 6.8 miles from Crane Valley there will be no intolerable hauling distances if the line is abandoned.

Recommendation:

- (i) That the CP Amulet Subdivision between Cardross and Crane Valley (6.8 miles) be referred to the CTC.

SUBDIVISION:

CP Bromhead - Gladmar to Minton (6.4 miles)

CAPACITY & RECEIPTS:

	No. of	Capacity	Receipts	5 Yr. Av. Receipts	Latest Receipts
	<u>Co./Elev.</u>	<u>1977-78</u>	<u>1977-78</u>	<u>72-73 to 76-77</u>	<u>10 Yr. Av.</u>
Minton*	1/2	133,000	873,000	594,000	544,000
Gladmar**	1/1	112,000	526,000	377,000	364,000
Lake Alma**	1/3	94,000	529,000	377,000	384,000
Ratcliffe**	1/2	64,000	330,000	242,000	216,000
Oungre**	1/2	<u>56,000</u>	<u>434,000</u>	<u>315,000</u>	<u>280,000</u>
		459,000	2,692,000	1,905,000	1,788,000

* recommended for abandonment by PRAC

** basic network

There is one company, SWP, servicing two elevators at the one delivery point of Minton, the only point under review. Both elevators have a 10 car spot. The elevator rated poor has a 40-ton scale and the elevator rated fair has a 15-ton scale and a capacity of 59,600 bushels.

ELEVATOR INDUSTRY ASSESSMENT:

SWP classify Minton as a primary point and its 10-year development plan anticipates major renovations and an annex move at an estimated cost of \$500,000. If the point is not retained SWP would give serious consideration to relocating at Gladmar.

RAILWAY INFORMATION:

Description:

The line is in poor condition. The roadbed is narrow and the ditches are shallow and require work to restore proper drainage. Rail is 85 lbs./yd.

CTC Subsidy Payments:

In 1974, the total claimed loss for the CP Bromhead (Gladmar to Minton) was \$69,496 and subsidy payments to date have been \$63,418.

Rehabilitation & Upgrading Cost: (1979)

Gladmar to Minton - 6.4 miles - \$384,000

BASIS FOR RECOMMENDATION:

The 10-year average receipts at the delivery point of Minton was 544,000 bushels. The 1977-78 receipts at the point were 873,000 bushels. The rail rehabilitation cost/remaining bushel for the 6.4 mile portion between Gladmar and Minton would be a reasonable \$0.71/bushel.

There is currently a turning wye at Minton and if the line was terminated at Gladmar, a new wye would have to be constructed.

Therefore, based on the commitment of SWP, the reasonable cost/bushel to rehabilitate the line, the existence of a wye at Minton and the long hauling distances that would occur following abandonment of Minton, a case can be made to justify rail service to the point.

Recommendation:

- (i) That the CP Bromhead Subdivision between Minton and Gladmar (6.4 miles) be added immediately to the basic network and rehabilitation of the line be undertaken in due course.

SUBDIVISION:

CP Colonsay - Dilke to Liberty (22.9 miles)

The section between Holdfast and Liberty is protected until 1983. The section from Amazon to Liberty (28.5 miles) was placed in the basic network following a PRAC recommendation.

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Dilke	2/3	122,000	960,000	609,000	604,000
Holdfast	2/3	247,000	1,146,000	783,000	764,000
Penzance	1/3	<u>146,800</u>	<u>597,000</u>	<u>458,000</u>	<u>464,000</u>
		515,800	2,703,000	1,850,000	1,832,000

The 1976-77 receipts at Dilke were 602,000 bushels, at Holdfast 696,000 bushels and at Penzanze 416,000 bushels.

ELEVATOR INDUSTRY ASSESSMENT:

SWP are located at all three points, and its 10-year development plan calls for expenditures at both Dilke and Holdfast.

UGG are located at Dilke and Holdfast and support the retention of Holdfast.

RAILWAY INFORMATION:

Description:

The line is generally in poor condition restricted to gross weights of 220,000 lbs. The roadbed is narrow with numerous fills from 15-30 ft. in height. The ballast is pit run gravel in fair to poor condition. The ties are in poor condition with about 5% of them reusable and the rail is a mixture of 65 and 85 lbs. There are seven major structures over 50 ft. in length, two of which CP believe should be rebuilt.

CTC Subsidy Payments:

In 1976, the actual loss on the line between Euston and Colonsay (108.5 miles) totaled \$966,713.

Rehabilitation & Upgrading Cost: (1979)

Liberty to Dilke 22.9 miles \$1,923,000

BASIS FOR RECOMMENDATION:

The 1977-78 receipts at the three points located on the 22.9 miles between Dilke and Liberty were 2,702,000 bushels, which represents an increase of 870,000 bushels over the 10 and 5-year average figures. The 1977-78 figure also represents 117,991 bushels/mile of track.

The rail rehabilitation cost on per remaining bushel basis would be \$1.05/bushel utilizing the 10-year average receipt figure and \$0.71/bushel if one utilizes the 1977-78 receipt figure.

BASIS FOR RECOMMENDATION (cont'd)

If this 22.9 mile portion of the CP Colonsay Subdivision were abandoned the average new hauling distances would be 13-18 miles and there would be some access problem for those forced to travel through the Little Arm River Valley, particularly those forced to haul to Bethune via Highway 354.

Taking into consideration these factors along with the position of UGG and SWP retention of rail service between Liberty and Dilke is justified.

There should be no changes to present recommendations made by PRAC that the CP Colonsay Subdivision should be served by CN via an 8.0 mile link between Amazon and Colonsay. Construction of this link should be completed as soon as possible.

Recommendation:

- (i) That the CP Colonsay Subdivision between Liberty and Dilke (22.9 miles) be added immediately to the basic network and rehabilitation of the line be undertaken in due course.

SUBDIVISION:

CP Dunelm - Player to Simmie (24.6 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Duncairn	1/1	114,000	103,000	108,000	104,000
Vesper	1/1	30,000	141,000	154,000	164,000
Simmie	2/4	<u>368,000</u>	<u>1,396,000</u>	<u>945,000</u>	<u>908,000</u>
		512,000	1,640,000	1,207,000	1,176,000

Two elevator companies are represented at the three delivery points on the Dunelm Subdivision. SWP has elevators at Vesper and Simmie, while Pioneer Grain has facilities at Duncairn and Simmie. The Pool elevator at Vesper is presently operated on a by appointment basis only and will be phased out of operation. Pioneer Grain operates its elevator at Duncairn on a one-day-a-week basis and have handled an estimated 120,000 bushels in the past crop year.

ELEVATOR INDUSTRY ASSESSMENT:

SWP indicated to both PRAC and Hall that Simmie should be retained. The Pool plans to spend \$500,000 at the point if rail service is maintained. This position has not changed.

In 1977, Pioneer upgraded its main plant at Simmie and plan installing dust elimination equipment this year.

RAILWAY INFORMATION:

Description:

Rail is a mixture of 65, 80 and 85 lbs. per yd. There is 15.7 miles of 65 lb. rail on this Subdivision

There are four bridges on the Subdivision that are over 50 ft. in length and will require fairly heavy work programs in the near future.

CTC Subsidy Payments:

In 1975, the total claimed loss was \$264,803, and subsidy payments were \$213,554.

Rehabilitation & Upgrading Cost: (1979)

To upgrade to 220,000 lbs. carrying capacity the Dunelm Subdivision (25.2 miles) including replacement of 15.7 miles of 65 lb. steel is estimated to cost \$3,103,000.

BASIS FOR RECOMMENDATION:

The Dunelm Subdivision runs through some rough terrain. Reid Lake and Swift Current Creek act as barriers to the north and west and the Lac Pelletier Valley to the east makes it difficult to truck grain long distances in this area.

In 1977-78 the receipts at Simmie, the end point of the line increased by approximately 400,000 bushels over the latest 5 and 10-year average figures. The 1977-78 receipt figure of all three points represents 66,666 bushels/mile of track.

BASIS FOR RECOMMENDATION (cont'd)

The rail rehabilitation and upgrading cost/bushel utilizing the 10-year average receipt figure would be \$2.64/bushel.

To be consistent with decisions made on other subdivisions, the situation with Simmie for all practical purposes the only point on the line with any long-term potential, but requiring expensive improvements to the rail system to be served properly, might lend itself to be a candidate for an off-track elevator. However, CP Rail has indicated that it plans to use at least the first 10 miles of this Subdivision for some time, to continue access to a pit which is supplying gravel for the rail rehabilitation program. Therefore, this factor and the fact that producers would face hauls of up to 25 miles if Simmie lost rail service, and the fact that SWP is firmly committed to the location, continued rail service to Simmie is justified.

Recommendation:

- (i) That the CP Dunelm Subdivision from Player to Simmie (24.6 miles) be added immediately to the basic network and rehabilitation and upgrading of the line be undertaken in due course.

SUBDIVISION:

CP Kelfield - Brass to Kelfield (27.9 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Leipzig	1/2	104,000	438,000	425,000	392,000
Handel	1/4	149,000	693,000	633,000	536,000
Kelfield	1/2	<u>108,000</u>	<u>499,000</u>	<u>290,000</u>	<u>288,000</u>
		361,000	1,630,000	1,348,000	1,216,000

ELEVATOR INDUSTRY ASSESSMENT:

SWP describe all three stations as secondary points. Its 10-year development plan calls for running repairs only at Leipzig, and existing facility to be moved and upgraded to high throughput standards as well as new annex space (estimated cost \$500,000) at Handel. SWP indicated that while there are presently no plans for Kelfield this station could become a significant handling point when the Dodsland Subdivision through Ruthilda and Springwater is abandoned. If this should happen SWP indicated serious consideration would have to be given to provide adequate facilities at this point.

RAILWAY INFORMATION:

Description:

The line is in poor physical condition. The subgrade has become unstable, banks are narrow, the ditches are shallow creating poor drainage. The rail is all 65 lbs./yd. There are no bridges on the Subdivision, but there are numerous culverts.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision was \$305,477 and subsidy payments were \$270,221.

Rehabilitation & Upgrading Cost: (1979)

Brass to Kelfield	27.9 miles	\$5,280,000.
Brass to Handel	18.6 miles	\$3,511,000

BASIS FOR RECOMMENDATION:

The 10-year average receipts for the CP Kelfield Subdivision are 1,216,000 bushels, which represents 43,584 bushels/mile of track. The rail upgrading cost/permit holder would be over \$38,000. On a per remaining bushel basis the rail upgrading cost would be \$4.34/bushel.

If the Kelfield Subdivision were abandoned the average new hauling distance would range between 14-20 miles. The producers facing the greatest difficulty would be those located west of Handel who would face long hauls because of the lack of access across Tramping Lake.

BASIS FOR RECOMMENDATION (cont'd)

To address the situation of high rail costs to serve points on this Subdivision, the long hauls which would be required if rail service were abandoned and the strong commitment by SWP to serve its members - an off-track elevator should be established at Handel operated by SWP.

Recommendations:

- (i) That the CP Kelfield Subdivision between Brass and Kelfield (27.9 miles) be referred to the CTC.
- (ii) That an off-track elevator be established at Handel, operated by SWP with the federal government meeting the commercial trucking and second elevation cost.

SUBDIVISION:

CP Melfort Subdivision - Gronlid to Lanigan (101.3 miles)

The Watson to Lac Vert Portion is already in the basic network as a result of a PRAC recommendation.

CAPACITY & RECEIPTS:

	No. of	Capacity	Receipts	5 Yr. Av.	Latest
	Co./Elev.	1977-78	1977-78	Receipts	Receipts
				72-73 to 76-77	10 Yr. Av.
Fairy Glen**	1/2	68,000	44,000	221,000	220,000
Gronlid**	1/2	157,000	525,000	354,000	368,000
Sinnett***	1/1	145,000	372,000	312,000	312,000
LeRoy***	2/4	293,300	1,018,000	751,000	684,000
Spalding*	3/4	348,000	1,357,000	986,000	832,000
Naicam*	2/3	651,700	2,349,000	1,280,000	1,104,000
Lac Vert*	2/3	<u>229,200</u>	<u>769,000</u>	<u>457,000</u>	<u>412,000</u>
		1,892,200	6,434,000	4,361,000	3,932,000

* placed in basic network by PRAC

** recommended for abandonment by Hall

*** recommended for abandonment by PRAC

ELEVATOR INDUSTRY ASSESSMENT:

SWP anticipate that Sinnett which it designates as a tertiary point will be phased out within 10 years. LeRoy is designated as a primary point and major upgrading is planned for the point. Pioneer Grain is also represented at LeRoy and supports retention of rail service to this point.

The Hall Commission recommended an off-track facility for Gronlid, but SWP did not express an interest in such a concept and indicated that good alternate facilities exist at Brooksby, Ridgedale and Melfort. Producers currently hauling to Gronlid would face average hauls no greater than 15 miles if rail service to Gronlid was removed.

RAILWAY INFORMATION:

Description:

The line is in fair physical condition. The rail is a mixture of 80 and 85 lb. steel. The subgrade is in poor condition with narrow shoulders which are unstable in places. Ditches are shallow and drainage is poor.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision from Lanigan to Gronlid was \$1,169,468 and the subsidy payments were \$1,052,689.

Rehabilitation & Upgrading Cost:

Melfort to Gronlid	18.5 miles	\$1,241,000
Watson to LeRoy	12.7 miles	\$ 687,000
Watson to Lanigan	16.5 miles	\$ 892,000

BASIS FOR RECOMMENDATION:

Based on the commitment of SWP and Pioneer Grain to remain at LeRoy, and considering the reasonable high volumes of grain being delivered to the point and the reasonable rail rehabilitation cost (\$2.31/bushel utilizing the 10-year average figure and \$1.55 utilizing the 1977-78 receipt figure) rail service should continue to LeRoy. If LeRoy is to be served by rail the entire line from Lanigan to Lac Vert should remain CP and be served by CP rather than transferring the line to CN which would have to operate out of Humboldt and serve the line as a two stub operation.

BASIS FOR RECOMMENDATION (cont'd)

Based on the arguments put forth in the Elevator Industry Assessment section it is difficult to recommend retention of rail service to Gronlid.

There currently is no grain being moved off the Subdivision between Lac Vert and Melfort (26.4 miles).

Recommendations:

- (i) That the CP Melfort Subdivision between Lanigan and Watson (29.2 miles) be added immediately to the basic network and rehabilitation of the line be undertaken in due course.
- (ii) That CP Melfort Subdivision between Lanigan and Lac Vert (55.2 miles) be operated by CP Rail.
- (iii) That the CP Melfort Subdivision between Melfort (Keddy) and Lac Vert (26.4 miles) and between Melfort (Dent) and Gronlid (18.5 miles) be referred to the CTC.

SUBDIVISION:

CP Pennant Subdivision Wickett to Verlo (25.1 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Roseray	1/2	53,000	92,000	218,000	284,000
Hazlet	3/5	378,400	1,145,000	901,000	920,000
Verlo	2/4	<u>200,000</u>	<u>493,000</u>	<u>430,000</u>	<u>460,000</u>
		631,400	1,730,000	1,549,000	1,664,000

There are 11 elevators on this Subdivision serviced by three companies, SWP, UGG and N.M. Paterson & Sons.

ELEVATOR INDUSTRY ASSESSMENT:

SWP has classified Hazlet as a primary point and has stated that it plans an expenditure of \$500,000 at Hazlet for a major upgrading program along with the provision of new annex space. Both Roseray and Verlo are classified as tertiary points and SWP plan to phase both out of service in their 10-year development plan.

RAILWAY INFORMATION:

Description:

The line was built in 1929, and is constructed with a mixture of 80 and 85 lb. steel. The ties on the Pennant Subdivision are deteriorating rapidly and will soon require replacement if operation is to continue.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision was \$361,272 and subsidy payments were \$322,552.

Rehabilitation & Upgrading Cost: (1979)

Hazlet to Verlo	5.5 miles	\$ 363,000
Wickett to Hazlet	19.0 miles	\$1,252,000

BASIS FOR RECOMMENDATION:

Based on the commitments of the elevator companies located at Hazlet to continue to provide service to their customers at Hazlet until the year 2000 and based on the clear indication that Hazlet will consistently handle a million bushels/year and based on the reasonable rail rehabilitation cost/bushel \$.87 utilizing the 10-year average receipt figure, therefore, permanent rail service to Hazlet is justified.

Neither elevator company situated at Verlo was prepared to make any long-term commitments to remain at the point and based on the low volumes of grain currently being delivered to the point and the fact that Hazlet is situated only 5 1/2 miles away, no producer will face lengthy hauls if forced to deliver to Hazlet. Permanent rail service to Verlo is therefore difficult to recommend.

Recommendation:

- (i) That the CP Pennant Subdivision between Wickett to Hazlet (19.0 miles) be added immediately to the basic network and rehabilitation of the line be undertaken in due course.
- (ii) That the CP Pennant Subdivision between Hazlet and Verlo (5.5 miles) be referred to the CTC.

SUBDIVISION:

CP Wishart Subdivision - Foam Lake to Wishart (26.2 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
West Bend	2/3*	203,800	393,000	491,000	504,000
Bankend	1/2	166,600	286,000	351,000	450,000
Wishart	4/5**	<u>480,300</u>	<u>864,000</u>	<u>910,000</u>	<u>876,000</u>
		850,700	1,543,000	1,752,000	1,830,000

* UGG closed their facility at West Bend on July 31, 1978.

** Parrish & Heimbecker closed their facility at Wishart in the fall of 1977.

ELEVATOR INDUSTRY ASSESSMENT:

SWP classify West Bend and Bankend as secondary points and Wishart as a primary point. The 10-year development plan for Wishart anticipates a major upgrading costing \$400,000 would take place depending on the status of the rail line and future handlings.

Pioneer Grain considers Wishart an important station and would like to remain there.

Cargill Grain are presently building a new 100,000 bushel annex at Wynyard and are very interested in the Lestock-Punnichy area for future plans.

RAILWAY INFORMATION:

Description:

The line is considered to be in poor physical condition. The subgrade is soft and the shoulders are narrow. The original sandy pit run gravel has eroded and become badly fouled with clay from the subgrade. The ties are in fair condition.

There are 25.5 miles of 72 lb. rail, 0.3 miles of 73 lb. and 1.1 miles of 85 lb. rail.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision was \$253,918 and subsidy payments were \$222,134.

Rehabilitation & Upgrading Cost: (1979)

The rehabilitation cost for 26.2 miles is \$4,208,000 and this includes replacement of 25.8 miles of light rail.

BASIS FOR RECOMMENDATION:

The 1977-78 receipts at points on the line are down nearly 300,000 bushels from the 10-year average. The 10-year average receipt figure of 1,830,000 represents 70,000 bushels/mile of track. The 1977-78 receipt figure of 1,543,000 bushels represents 59,000 bushels/mile of track. The rail upgrading cost utilizing the 10-year average receipt figure would be \$2.30/bushel and utilizing the 1977-78 receipt figure would be \$2.73/bushel. The rail upgrading cost/permit holder would be nearly \$14,000.

BASIS FOR RECOMMENDATION (cont'd)

There does seem to be a trend toward reduced deliveries to points on the line. Rail service has never been good on the line and producers have also complained about the quality of elevator service as well. Since CP operate the Wishart Subdivision as a "Stub-end" from its Wynyard Subdivision, the line will always be difficult to serve properly.

If the Subdivision is abandoned the impact on producers will not be severe.

The CP Sutherland Subdivision (basic network) parallels part of the Wishart Subdivision and lies 15 miles to the north. Foam Lake, Leslie, Elfros and Mozart would be alternate stations to the north.

CN's Watrous Subdivision (also basic network) parallels part of the Wishart line, approximately 15 miles to the south. Kelliher, Leross and Lestock would be the alternate elevator points on this line. The present average hauling distance for permit holders currently delivering to the three grain delivery points of West Bend, Bankend and Wishart is only 6-7 miles. If the line were abandoned the new average hauls would only be 13-15 miles for West Bend and Bankend permit holders and 15-17 miles for Wishart permit holders. No permit holder would face a hauling increase greater than 10 miles.

Recommendation:

- (i) That the CP Wishart Subdivision between Foam Lake and Wishart (26.2 miles) be referred to the CTC.

SUBDIVISION:

CP Fife Lake - Coronach to Big Beaver (19.8 miles)
CP Colony - Rockglen to Killdeer (24.6 miles)

CAPACITY & RECEIPTS:

	No. of	Capacity	Receipts	5 Yr. Av.	Latest
	<u>Co./Elev.</u>	<u>1977-78</u>	<u>1977-78</u>	<u>Receipts</u>	<u>Receipts</u>
				<u>72-73 to 76-77</u>	<u>10 Yr. Av.</u>
East Poplar	1/2	81,000	302,000	338,400	316,000
Big Beaver	2/3	<u>145,400</u>	<u>741,000</u>	<u>564,000</u>	<u>540,000</u>
		226,400	1,043,000	902,400	856,000

There are two delivery points, East Poplar and Big Beaver, having five elevators serviced by three companies, SWP (Big Beaver), Pioneer Grain (East Poplar) and N.M. Paterson & Sons (Big Beaver). The elevators are rated fair to poor. Car spots range from 4-5.

ELEVATOR INDUSTRY ASSESSMENT:

SWP operates at Big Beaver only, having recently ceased conducting business at East Poplar. Big Beaver is classified as a secondary point and the 10-year plan calls for running repairs only. Both Paterson and SWP are represented at Big Beaver, but the point cannot support two companies.

RAILWAY INFORMATION:

Description:

The line is in poor physical condition. The subgrade is poor. The shoulders are narrow and unstable in places with cuts and fills as high as 30 ft. The original pit run gravel and cinder ballast has almost completely eroded and deteriorated. Ties are in poor to fair condition. The rail is 80 lbs./yd.

There are three relatively long bridge structures:

- 120 ft. structure at Mile 62.9
- 104 ft. structure at Mile 72.1
- 105 ft. structure at Mile 77.6

CTC Subsidy Payments:

In 1975, the total claimed loss for the Fife Lake Subdivision was \$1,029,431 and subsidy payments to date have been \$888,020.

Rehabilitation & Upgrading Cost: (1979)

Coronach to Big Beaver - \$1,349,000

BASIS FOR RECOMMENDATION:

The latest 10-year average receipts at the two points located on the Fife Lake Subdivision are 316,000 bushels at East Poplar and 540,000 bushels at Big Beaver. The 1977-78 receipts at Big Beaver were 741,000 bushels are up approximately 20% over the 10-year average. However, there have been significant declines in the number of permit holders at both points. East Poplar experienced a decline in permit holders of 43% since 1962- 63 going from 58-25 during

BASIS FOR RECOMMENDATION (cont'd)

that period. Big Beaver permit holders declined over this same period to 81 from 108. Both points are less than 17 miles via a paved road from Coronach which had a handle last year of 1,339,000 bushels and has a larger scale capacity than either East Poplar or Big Beaver. In time it can be expected that Coronach will continue to attract even more East Poplar and Big Beaver grain.

CP Rail serve this Subdivision out of Assiniboia and because of the location of the Subdivision it is difficult to provide good and regular train service. Train crews commute to Assiniboia from Moose Jaw and engine crews from Regina.

The topography in this area is such that the region cannot be expected to have significant agricultural potential.

Although the rehabilitation cost/bushel is not high at \$1.58/bushel, one has to take into consideration the long-term outlook and on this basis it is difficult to support retention of rail service.

Similar operational problems exist for the CP Colony Subdivision. Average grain receipts for this Subdivision for the 10-year period ending in 1977-78 were 468,000 bushels representing only 19,024 bushels/mile of track.

A PRAC recommendation placed the CP Wood Mountain Subdivision in the basic network and this will keep alternate truck hauls to reasonable distances if the CP Colony Subdivision were to be abandoned.

Recommendation:

- (i) That the CP Fife Lake Subdivision between Coronach and Big Beaver (19.8 miles) be referred to the CTC.
- (ii) That the CP Colony Subdivision between Killdeer and Rockglen (24.6 miles) be referred to the CTC.

ALBERTA

SUBDIVISION:

CN Coronado Subdivision - Elk Point to Heinsberg (20.4 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Heinsburg	1/2	54,000	68,000	191,000	156,000

ELEVATOR INDUSTRY ASSESSMENT:

Alberta Wheat Pool (AWP) cannot be expected to insist on rail service to Heinsburg based on low volumes. The 1977-78 receipt figure is only 68,000 bushels.

BASIS FOR RECOMMENDATION:

Heinsburg is situated approximately 20 miles from Elk Point. The 10-year average at Heinsburg is only 156,000 bushels. The rail rehabilitation cost of the section between Elk Point and Heinsburg is \$1.9 Million. The cost on a per remaining bushel delivered basis would be \$12.81/bushel. Considering only the interest cost would result in a/bushel cost of over \$1.00/bushel. The cost/permit holder (41) would be \$47,560. If Heinsburg was closed it is estimated that up to 40% of Heinsburg permit holders would haul to Elk Point (now in the basic network) and thus reduce the new average haul from 18-22 miles if the entire line was abandoned to 17-19 miles.

PRAC recommended that no further protection from abandonment be extended to cover the portion of the Subdivision between Elk Point and Lindbergh (9.8 miles). The Canadian Salt Company located at Lindbergh may provide sufficient justification for CN to continue to provide service. Public funds should not be used to support this operation.

Recommendation:

- (i) That the CN Coronado Subdivision between Elk Point and Heinsburg (20.4 miles) receive no further protection from branch line abandonment after December 31, 1979.

SUBDIVISION:

CN Endiang Subdivision - Endiang Junction to Byemnor (34.3 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Scapa*	1/2	111,000	70,000	193,000	160,000
Endiang	1/2	111,000	76,000	176,000	248,000
Byemnor	1/3	<u>162,000</u>	<u>408,000</u>	<u>491,000</u>	<u>468,000</u>
		384,000	554,000	860,000	876,000

* Closed as of March 1, 1978.

ELEVATOR INDUSTRY ASSESSMENT:

AWP recommended that the line should be referred to the CTC.

RAILWAY INFORMATION:

Description:

The Subdivision has 80 lb. rail from Endiang Jct. (Mile 0.0 to Mile 25.2). The remaining mileage is 60 lb. rail.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision from Endiang Jct. Warden Jct. (62.18 miles) was \$377,4138 and subsidy payments to date have been \$324,136.

Rehabilitation & Upgrading Cost:

Total rehabilitation and upgrading costs between Hanna and Byemoor would be \$4,128,000.

BASIS FOR RECOMMENDATION:

There has been a steady decline in receipts at points situated along the CN Endiang Subdivision. The 1977-78 receipts are down 37% or 322,000 bushels from the 10-year average receipt figure. The 1977-78 receipt figure of 554,000 represents only 16,151 bushels/mile of track.

The total cost to rehabilitate and upgrade the 34.3 miles would be \$4,128,000. The cost on a per remaining bushel basis would be \$4.71 utilizing the 10-year average receipt figure and \$7.45 based on the 1977-78 receipts.

Assuming that transportation service is continued to Big Valley (see Stettler Subdivision) the average new haul if the line were abandoned would be approximately 20 miles to points such as Big Valley, Craignyle and Hanna.

BASIS FOR RECOMMENDATION (cont'd)

Therefore, based on the low grain volumes on the line, the high cost of providing upgraded rail service and the availability of good alternate delivery points, it is difficult to recommend retention of rail service.

Recommendation:

- (i) That the CN Endiang Subdivision between Endiang Jct. and Byemnor (34.3 miles) be referred to the CTC.

SUBDIVISION:

CN Stettler Subdivision - Dinosaur to Ferlow Junction (108.3 miles)

CAPACITY & RECEIPTS:

There are 21 elevators located at the seven delivery points located between Donalda and Dinosaur. AWP is represented at all points, Cargill Grain and Parrish & Heimbecker at two points and UGG at one point.

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Donalda	1/4	252,000	708,000	582,000	512,000
Red Willow	2/3	161,000	378,000	275,000	268,000
Stettler*	2/2	211,000	607,000	564,000	444,000
Big Valley	2/2	156,500	345,000	442,000	408,000
Rumsey	1/2	225,500	348,000	412,000	404,000
Rowley	1/3	162,000	324,000	348,000	328,000
Morrin	4/5	<u>420,000</u>	<u>884,000</u>	<u>955,000</u>	<u>812,000</u>
		1,588,000	3,595,000	3,578,000	3,176,000

* Stettler is also located on the CP Lacombe Subdivision (basic network) and has total 5-year average receipts of over one million bushels.

ELEVATOR INDUSTRY ASSESSMENT:

AWP indicated to the Hall Commission that it had no plans for either Meeting Creek or Edberg, located between Donalda and Ferlow Jct. Both Hall and PRAC were told that this part of the line should be abandoned.

RAILWAY INFORMATION:

Description:

The line was constructed in 1910. The rail is a mixture of 60, 80 and 85 lb. steel and is in good condition. There are a few trestles located on the line which are in fair to good condition.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision (Ferlow Jct. to Dinosaur) was \$1,330,385 and subsidy payments to date have been \$1,147,107.

Rehabilitation & Upgrading Cost:

Total rehabilitation and upgrading costs (1979 dollars) for the section between Dinosaur and Donalda (77.1 miles) would be \$16,861,000.

BASIS FOR RECOMMENDATION:

The 10-year average receipts on the line between Donalda and Dinosaur (77.1 miles) was 3,176,000 bushels which represents only 41,193 bushels/mile of track. The rail upgrading cost/remaining bushel would be \$5.31 based on the 1979 figure of \$16,861,000.

An examination of the receipt table shows that only four delivery points have long-term potential: Morrin, Big Valley, Stettler and Donalda. Stettler is also located on CP Lacombe Subdivision and can be served by CP. Morrin is only eight miles from Dinosaur and based on its high volume, it can easily be served by rail as a stub-end line. Thus, this only leaves Big Valley and Donalda and it would not be economical to retain 77.1 miles of rail which would cost close to \$17 Million to improve to serve two delivery points. Yet, both points have potential and many producers will face hauls in the 25 mile range if these two points are abandoned. Therefore, there is logic to establishing off-track elevators at both Big Valley and Donalda.

BASIS FOR RECOMMENDATION (cont'd)

Since AWP has no plans for either Meeting Creek or Edberg, it is difficult to recommend retention of rail service to either delivery point.

Recommendations:

- (i) That the CN Stettler Subdivision between Dinosaur and Morrin (8.0 miles) be added immediately to the basic network, guaranteed until the year 2000 and rehabilitation/upgrading of the line be undertaken in due course.
- (ii) That the CN Stettler Subdivision between Morrin and Ferlow Jct. (100.3 miles) be referred to the CTC.
- (iii) That off-track elevators be established at Big Valley and Donalda operated by AWP with the federal government providing funds to meet the commercial trucking and second elevation cost.

SUBDIVISION:

CP Alberta Central - Forth to Benalto (24.6 miles)

CAPACITY & RECEIPTS:

The only delivery point is Benalto. The 1977-78 receipts at this point were 687,000 bushels. The latest 10-year average is 432,000 bushels. Both AWP and UGG are located at this point.

ELEVATOR INDUSTRY ASSESSMENT:

UGG indicated to the Hall Commission that it planned to close down its facilities. AWP indicated that the line should be referred to the CTC.

RAILWAY INFORMATION:

Description:

This Subdivision was constructed by the Alberta Central Railway in 1913, and purchased by CPR in 1914. The rail is a mixture of 65, 80 and 85 lb. steel, with a gross carrying capacity of 177,000 pounds.

CTC Subsidy Payments:

In 1975, the subsidy payments were \$499,000.

Rehabilitation & Upgrading Cost: (1979)

Total cost to repair 58.0 miles would be \$5,040,000. The portion between Forth and Benalto would cost \$2,137,000.

BASIS FOR RECOMMENDATION:

The 10-year average receipts at the point of Benalto are only 432,000 bushels, although the 1977-78 receipt figure did reach 687,000 bushels. Benalto is located on Highway 11 which runs directly into Red Deer and a lot of grain from the Benalto "unland" is trucked into that city, a distance of only 22 miles.

Since neither elevator company has any long-term plans to stay at Benalto, it is difficult to recommend retention.

Recommendation:

- (i) That the Alberta Central between Forth and Benalto (24.6 miles) be referred to the CTC.

SUBDIVISION:

CP Furness Subdivision - Epping to Paradise Valley (19.5 miles)

CAPACITY & RECEIPTS:

AWP is the only company, servicing 10 elevators at three delivery points. Most of the elevators are rated fair to poor.

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Rivercourse	1/2	96,500	312,000	235,000	220,000
McLaughlin	1/3	209,000	536,000	504,000	444,000
Paradise Valley	1/5	<u>281,000</u>	<u>640,000</u>	<u>589,000</u>	<u>568,000</u>
		586,000	1,365,000	1,328,000	1,232,000

ELEVATOR INDUSTRY ASSESSMENT:

AWP is the only company located on this line. It has elevators at three points: Paradise Valley, McLaughlin and Rivercourse. It has plans to rebuild at one of the three points.

RAILWAY INFORMATION:

Description:

The line is in fair to poor physical condition. The subgrade is fair although the shoulders are narrow as a result of erosion over the years. The ballast is generally poor. The original pit run gravel has eroded away or become mixed with the clay in the subgrade. Some patching has been done. The ties are in fair condition. The rail is a mixture of 72, 73 and 85 lbs./yard. There is a total of 9.4 miles of 72 and 73 lb. rail on the Subdivision which should be changed out in any rehabilitation/upgrading program.

Rehabilitation & Upgrading Cost:

In 1975, the CTC subsidy payment for the line was \$270,423. The rehabilitation and upgrading cost in 1979 dollars would be \$2,217,000.

BASIS FOR RECOMMENDATION:

The 10-year average receipts at the three points were 1,232,000 which represents 63,179 bushels/mile of track. The cost to improve the railway line would be \$2,217,000 which on a per remaining bushel basis would be a \$1.80/bushel.

The present average hauling distance for producers on this line is 6-8 miles. Alternate delivery points for producers if the line were to be abandoned would be located on the Lloydminster, Wainwright and Blackfoot Subdivisions. Estimated average hauling distances following abandonment would be 11-12 miles at Rivercourse, 16-17 miles at McLaughlin and 19-20 at Paradise Valley. Some producers on the western end of the Subdivision would face hauls of 25-30 miles. Upgrading of facilities would be required at the alternate facilities especially at Lone Rock, which however, is located in Saskatchewan.

BASIS FOR RECOMMENDATION (cont'd)

The potential to improve the standard of rail service on this line is not good, because the line is operated as a side trip either coming or going from Lloydminster off the CP Lloydminster Subdivision which originates out of Wilkie, Saskatchewan.

Other factors to consider are the on-going improvement to roads in the area and the propensity of producers to haul rapeseed out of the area directly into Lloydminster.

Based on all these considerations it is difficult to justify rail service on a permanent basis. However, AWP is firmly committed to providing service to the area and if rail service were removed there would be inequitable hauling distances.

Therefore, to meet the commitment of AWP and to address the problem of long alternate hauling distances, an off-track elevator should be considered either at McLaughlin or Paradise Valley.

Recommendations:

- (i) That the CP Furness Subdivision between Epping and Paradise Valley (19.5 miles) be referred to the CTC.
- (ii) That an off-track elevator be established at a point to be determined by AWP on the CP Furness Subdivision to be operated by AWP with the federal government meeting the commercial trucking and second elevation costs.

SUBDIVISION:

CP Langdon Subdivision - Cosway to Kirkpatrick (33.1 miles)

The portions between Kirkpatrick and Kneehill (3.9 miles) and Rosedale and East Coulee (8.7 miles) do not carry grain and as such were not protected from abandonment.

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Carbon	2/2	491,000	1,075,000	1,142,000	976,000
Sharples	2/2	164,000	377,000	403,000	360,000
Hesketh	1/1	61,000	128,000	192,000	172,000
Kirkpatrick	1/1	96,000	284,000	278,000	208,000
East Coulee	1/1	<u>91,000</u>	<u>96,000</u>	<u>146,000</u>	<u>136,000</u>
		903,000	1,960,000	2,161,000	1,852,000

ELEVATOR INDUSTRY ASSESSMENT:

Pioneer Grain and AWP are both represented at Carbon, which is the largest grain handling station on this rail line. There is a capacity of 491,000 bushels at this station. There is also good facilities at this station and both companies would like to see the continuation of assured rail service.

It should also be recognized that this is a strongly favoured German community with many of the older producers in the area doing practically all of the business at the elevator in this language.

RAILWAY INFORMATION:

Description:

The rail is a mixture of 80-85 lb. steel with a gross carrying capacity of 220,000 lbs.

CTC Subsidy Payments:

In 1975, the total claimed loss for the portion of the Subdivision from Cosway to East Coulee (52.6 miles) was \$504,124 and subsidy payments to date have been \$405,884.

Rehabilitation & Upgrading Cost:

Carbon to Kirkpatrick	-	\$1,445,000
Cosway to Carbon	-	<u>\$1,401,000</u>
Total		\$2,846,000

BASIS FOR RECOMMENDATION:

AWP believes the reason the receipts have dropped off on the line is not due to the quality of rail service but because of the improvements in the elevators at neighboring points. The AWP further believes the new high-throughput elevators at such points as Beiseker, Drumheller, Three Hills and Rockyford have drawn some of the grain previously delivered to the Langdon Subdivision

Based on grain receipts, rail service to Carbon can be justified but such service cannot be justified to other points on the line.

BASIS FOR RECOMMENDATION (cont'd)

However, in recognition that the line may be required to move large volumes of coal over the next 5-10 years branchline abandonment protection should be removed east of Carbon enabling CP Rail to retain the line should it be required to move coal.

Recommendations:

- (i) That the CP Langdon Subdivision between Cosway and Carbon (16.3 miles) be added immediately to the basic network and rehabilitation of the line be undertaken in due course.
- (ii) That the CP Langdon Subdivision between Carbon and Kirkpatrick (16.8 miles) receive no further protection from branchline abandonment after December 31, 1979.

SUBDIVISION:

CP Strathmore Subdivision - Langdon to Gleichen (34.8 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Strathmore	1/2	115,000	260,000	442,000	412,000
Cheadle	1/2	<u>142,000</u>	<u>212,000</u>	<u>278,000</u>	<u>300,000</u>
		257,000	472,000	720,000	712,000

ELEVATOR INDUSTRY ASSESSMENT:

Although Strathmore normally handles 400-450,000 bushels, much (75-80%) of this grain is not forwarded by rail. The local markets in the area are serviced from Strathmore. AWP is very interested in maintaining the facility at Strathmore to service the local markets and are not likely to put forth a recommendation that it can justify rail service for grain delivery purposes at Strathmore. AWP is also presently looking at the possibility of relocating in the area.

Recommendation:

- (i) That the CP Strathmore Subdivision between Langdon to Gleichen (34.8 miles) be referred to the CTC.

SUBDIVISION:

CN Acadia Valley - Eyre Junction to Acadia Valley (23.7 miles)

CAPACITY & RECEIPTS:

	No. of <u>Co./Elev.</u>	Capacity <u>1977-78</u>	Receipts <u>1977-78</u>	5 Yr. Av. Receipts <u>72-73 to 76-77</u>	Latest Receipts <u>10 Yr. Av.</u>
Acadia Valley	2/3	388,000	1,294,000	1,119,000	1,036,000

There are two elevator companies, AWP and Pioneer Grain at the only delivery point of Acadia Valley. AWP operates two elevators at Acadia Valley with a combined capacity of 157,000 bushels, both are rated good. Pioneer Grain operate a 231,000 bushel capacity facility.

ELEVATOR INDUSTRY ASSESSMENT:

Pioneer Grain and AWP indicated to both the Hall Commission and PRAC that the line should be retained.

If the line is abandoned there exists a number of good alternate delivery stations such as Oyen, Bindloss, Empress, Sibbald, Benton and Alsask. The combined capacity at these six points is 1.4 Million bushels. As well, Pioneer Grain is currently building new facilities at Oyen.

Pioneer Grain did not support the establishment of an off-track elevator. AWP did support such a concept and indicated it would cooperate fully if this was recommended.

RAILWAY INFORMATION:

Description:

The Acadia Valley Subdivision is only 23.7 miles in length, laid with 85 lb. rail. The subgrade is in poor condition, with poor drainage and ballast. It is difficult to maintain line and surface, and speed is limited to 20 m.p.h. The condition of the track structure limits gross weight on four axles to 177,000 lbs. and requires the use of six-axle 1200 HP diesel locomotives only. Operations on the line are hampered by spring run-off, heavy rain, and snow and snow plows are operated to keep the line open.

CTC Subsidy Payments:

In 1975, the total claimed loss for the Subdivision was \$383,548 and subsidy payments to date have been \$351,226.

Rehabilitation (1979)

Eyre Junction to Acadia Valley 23.7 miles \$2,448,000

BASIS FOR RECOMMENDATION:

The 10-year average receipt figure at Acadia Valley was 1,036,000 which represents only 43,713 bushels/mile of track. To rehabilitate the section of track between Eyre Jct. and Acadia Valley (23.7 miles) is estimated to cost \$2,448,000. The rail rehabilitation cost/remaining bushel would be \$2.19. The rail rehabilitation cost/permit holder would be \$21,000.

If the line were abandoned the average hauling distance would be 16-18 miles.

BASIS FOR RECOMMENDATION (cont'd)

Due to the high rail costs and reasonable alternate hauling distances the line might normally be considered for abandonment. However, the delivery point of Acadia Valley has consistently handled a million bushels. As well, AWP has indicated its desire to remain at the point and recognizing the high rail costs has agreed to cooperate with the federal government in establishing an off-track elevator at Acadia Valley.

Recommendations:

- (i) That the CN Acadia Valley Subdivision between Eyre Jct. and Acadia Valley (23.7 miles) be referred to the CTC.
- (ii) That an off-track elevator be established at Acadia Valley to be operated by AWP with the federal government meeting the commercial trucking and second elevation cost.



